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BOARD MEETING
STATE OF CALIFORNIA
INTEGRATED WASTE MANAGEMENT BOARD

SANTA CLARA COUNTY BOARD OF SUPERVISORS
ISSAC NEWTON SENTER AUDITORIUM
70 WEST HEDDING STREET
SAN JOSE, CALIFORNIA

TUESDAY, MARCH 16, 2004

9:41 A.M.

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CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 12277

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

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Shirley Willd-Wagner, Staff

Patty Wohl, Deputy Director

Calvin Young, Staff

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APPEARANCES CONTINUED

ALSO PRESENT

Stephen Bantillo, City of San Jose, Environmental Services
Department

Jill Cody, Keep California Beautiful

Donna Cotner, West Valley Citizen Air Watch

Sharon Dow, Santa Clara County Department of Environmental
Health

Evan Edgar, CRRC

Wendy Mezilis, West Valley Citizen Air Watch

Ted Smith, Silicon Valley Toxics Coalition

Lydia Tolles, on behalf of Mayor Ron Gonzales

Daryl Tykins, Caltrans

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1 PROCEEDINGS

2 CHAIRPERSON MOULTON-PATTERSON: Good morning.

3 I'd like to go ahead and start our meeting and welcome
4 everybody to the March meeting of the California
5 Integrated Waste Management Board.

6 Would the secretary please call the roll.

7 SECRETARY WADDELL: Paparian?

8 BOARD MEMBER PAPARIAN: Here.

9 SECRETARY WADDELL: Peace?

10 BOARD MEMBER PEACE: Here.

11 SECRETARY WADDELL: Washington?

12 BOARD MEMBER WASHINGTON: Here.

13 SECRETARY WADDELL: Moulton-Patterson?

14 CHAIRPERSON MOULTON-PATTERSON: Here.

15 The County of Santa Clara has asked me to
16 announce there's no food or drink in the auditorium. And
17 also I would like to ask everybody to please turn off
18 their cell phones and pagers for the meeting.

19 In order to conserve energy and reduce waste, the
20 Waste Board has a limited number of agenda items and
21 speaker slips and -- where are they, Ms. Waddell? Right
22 back here outside the room.

23 SECRETARY WADDELL: Right in front.

24 CHAIRPERSON MOULTON-PATTERSON: In the back. If
25 you would like to speak on an item, please give it to

1 Ms. Waddell, who's right over here, and she'll make sure
2 that we know of your wish to speak, and we'll be glad to
3 hear your public comments.

4 So it's wonderful to be in beautiful San Jose
5 this morning. The weather is great. And I guess it is
6 all over the state, but it's particularly beautiful here,
7 and we appreciate that.

8 We're going to do things slightly out of order
9 this morning, but we will start with ex partes.

10 Ms. Peace, any ex partes?

11 BOARD MEMBER PEACE: Just from -- is this on?
12 Just from last night you're going to ex parte. I'm up to
13 date.

14 CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you.

15 And I would like to ex parte for the entire
16 Board -- at least for Mr. Paparian, Ms. Peace, and myself
17 all the senior management we met yesterday from California
18 Waste Solutions Consultants. It was also very nice to see
19 former Board Member Kathy Neal, who was a member of this
20 Board, last night. And also we were able to meet with
21 Assemblyman Manny Diaz who was also at the dinner.

22 In addition to that, I do have a letter on Agenda
23 Item Number 8, which is presently on consent from Rutan &
24 Tucker, Mr. Patrick Munoz. And I have that. It's been
25 distributed to all the Board members. And that is

1 everything I have for ex partes.

2 Mr. Paparian.

3 BOARD MEMBER PAPARIAN: With the ones just
4 mentioned, I'm up to date.

5 CHAIRPERSON MOULTON-PATTERSON: Thank you.
6 Mr. Washington.

7 BOARD MEMBER WASHINGTON: I have none.

8 CHAIRPERSON MOULTON-PATTERSON: Thank you.

9 I would like to announce that Lydia Tolles is
10 attending the Board meeting. Where's Lydia? Right here.
11 And Lydia is here on behalf of Mayor Ron Gonzales. And if
12 I might ask you to come up and receive a presentation,
13 Lydia, I'd really appreciate it.

14 This is the presentation for the City of San Jose
15 who, I believe, has a 62 percent diversion rate. And we
16 give these to all the cities that have met their
17 50 percent goal. And Lydia, if you will tell the Mayor
18 that we're very proud of the City of San Jose and very
19 much appreciate all your efforts. You're a real role
20 model for the State, and we appreciate it. Let the Mayor
21 know personally I wish him well. I understand he's had a
22 complete recovery. We're really happy about that.

23 If my Board members would join me for just a
24 moment to give this plaque to City of San Jose. Thank you
25 very much for all your efforts.

1 MS. TOLLES: Thank you.

2 CHAIRPERSON MOULTON-PATTERSON: Okay. I also
3 have a very brief welcome for Jill Cody, who is the
4 Superintendent of the City of San Jose, and also I have
5 the pleasure of working with her. She's Vice President of
6 the Board of Keep California Beautiful.

7 And Jill, it's very nice to be here. And thank
8 you for coming up and saying hello to us.

9 MS. CODY: Well, thank you, Linda, for allowing
10 me to be here today. I wanted to officially welcome all
11 of you to the gorgeous City of San Jose. And as our
12 Honorable Mayor Ron Gonzales likes to say, it's this way
13 300 days a year. So just wanted to slip that in, because
14 I know he likes to let people know it's a wonderful place
15 to live, work, and play.

16 So welcome, everyone, to San Jose. And I wanted
17 to also do a 30-second infomercial on Keep California
18 Beautiful. And thank you, Linda, for coming down to our
19 State Board meeting last Thursday in San Diego. We were
20 very happy to have you. And just an infomercial, because
21 I just want people to hear the name Keep California
22 Beautiful. It is a nonprofit organization in the state
23 that's been here for about 15 years. April is keep
24 California beautiful month. We coordinate statewide
25 litter and recycle product pickups. And last year we had

1 4500 events across the state. And we also are very
2 involved in beautification and litter reduction and
3 recycling.

4 So in addition to that, I was going to let you
5 know that San Jose is a proud community of Keep California
6 Beautiful. There are 56 proud communities in California.
7 There are 500 cities, so we have a long way to go to make
8 every city a proud community of Keep California Beautiful.
9 But in San Jose, being a proud community, we have an
10 anti-graffiti, anti-litter program. And Joanne had asked
11 me to mention something about our graffiti recycle paint
12 bank, which we had many years ago. But I told her we've
13 outgrown that, and we now have a full-fledged program that
14 was started by Mayor Ron Gonzales four years ago. And in
15 the last four years, we have reduced graffiti in the city
16 95 percent.

17 CHAIRPERSON MOULTON-PATTERSON: That is terrific.

18 MS. CODY: You do not see huge tags any more in
19 the city. Gang tags removed within 24 hours. All other
20 tags removed within 48 hours. We get calls from all over
21 the world, all over the country on how did you do it? And
22 my staff likes to go out and tell everybody how we did it.
23 So a 95 percent reduction in four years.

24 CHAIRPERSON MOULTON-PATTERSON: That is great.

25 MS. CODY: Now the Mayor has asked we do the same

1 thing on litter. That's our next challenge, is to abate
2 litter as we abated graffiti.

3 And then in closing, just San Jose Beautiful is
4 the proud community and Keep California Beautiful
5 affiliate. And we do a variety of beautification efforts
6 with grants out to the community. We do a city-wide
7 daffodil project. Next year will be our tenth year with
8 300,000 daffodils out there and a great community spirit
9 event.

10 And then lastly -- and I'll just close, because
11 it's so beautiful and people like to come here and have
12 fun, I wanted to tell you about monopoly in the park. If
13 you haven't heard about monopoly in the park, San Jose is
14 home to the largest monopoly board in the world in
15 downtown, where people are the tokens. You can all play
16 it for family events or for team building exercises. It
17 just made the Guinness Book of World Records.

18 So I just wanted to open with a welcome and close
19 with fun and wish you all very good work today. And thank
20 you for giving me a couple minutes.

21 CHAIRPERSON MOULTON-PATTERSON: Thank you, Jill.
22 We really appreciate you being here.

23 MS. CODY: I'm going to leave a few monopoly park
24 cards over here.

25 CHAIRPERSON MOULTON-PATTERSON: Great. Thank

1 you.

2 We will have one more report, and then we will go
3 to our Board member reports, so we're slightly out of
4 order. But I would like to at this time welcome Stephen
5 Bantillo, the Supervising Environmental Program Manager
6 with the City of San Jose. And Stephen is going to
7 briefly share with us the unique and expansive diversion
8 programs implemented by the City. Thank you, Stephen, for
9 being here.

10 (Thereupon an overhead presentation was
11 presented as follows.)

12 MR. BANTILLO: And thank you for the invitation,
13 Madam Chair and members of the Board. Again, as Jill
14 said, welcome to San Jose. We're very glad that you've
15 come back. It's been ten years or so. Hopefully, it's
16 not going to be as long the next time you come back. If
17 you don't have another Board meeting set up here, I'd like
18 to extend a personal invitation to you to come back soon.
19 We've got a number of great facilities. I know you toured
20 the facilities yesterday.

21 --o0o--

22 MR. BANTILLO: The South Bay is rich in
23 recycling, processing, construction, and demolition, et
24 cetera. I certainly encourage you to come back, and I
25 extend a personal invitation to you to do so.

1 --o0o--

2 MR. BANTILLO: A little bit about San Jose.

3 We're the eleventh largest city in San Jose, about 200
4 square miles, almost a million residents, 200,000
5 single-family dwellings, 3500 multi-family dwellings -- or
6 complexes, and 125,000 business. We had a 64 percent
7 diversion for 2000, and thank you again very much for --

8 CHAIRPERSON MOULTON-PATTERSON: 64. I'm sorry.
9 I misspoke.

10 MR. BANTILLO: That was 2005. 62 percent,
11 pending our biannual review. We certainly appreciate the
12 recognition for the efforts. Staff, like staff all around
13 the state, work tirelessly to bring these programs to
14 fruition and to achieve high diversion levels.

15 --o0o--

16 MR. BANTILLO: As you know, programs don't pop up
17 overnight. There's a tremendous amount of work that goes
18 into it in laying the ground work for it. We started back
19 in the '80s establishing a number of waste reduction
20 strategies and policies.

21 In 1983, our policies were adopted by the City
22 Council to encourage competition and diversion. Also key
23 in that was some emphasis on highest and best use as well.

24 1985, released a number of RFPs for collection
25 and disposal contracts.

1 --o0o--

2 MR. BANTILLO: And in 1991 of -- I need to go
3 back one slide possibly. In 1986 San Jose appointed it's
4 first curb-side recycling program. That was the result of
5 savings from our negotiated agreements in 1985. For the
6 garbage and recycling contracts, Waste Management had
7 exclusive contract for the residential collection
8 city-wide, and BFI had the disposal agreement for all of
9 San Jose's waste. In 1991, we focused on competition. We
10 released some yard trimmings request for proposals for
11 yard waste collection. And we awarded two contracts for
12 collection and one for processing.

13 --o0o--

14 MR. BANTILLO: If you haven't seen it as you were
15 driving around the city yesterday, there really is sort of
16 a valet, poetry in motion if you see these loose yard
17 waste piles out in the street. We copied Davis, as they
18 said their yard trimmings are in the street as well, but
19 it's one of the most efficient collection methods we can
20 come up with. We do over 100,000 tons per year of yard
21 waste collecting.

22 --o0o--

23 MR. BANTILLO: In 1991, we released an RFP for
24 residential garbage and recycling collection and
25 processing. 1992, we awarded contracts to Green Team of

1 San Jose and Western Waste Industries. Green Team was one
2 of those companies that came -- sort of was built out of
3 some other local companies who bid to compete on some of
4 San Jose's programs, and we're very excited that we
5 created additional companies and additional processing
6 capacity in San Jose. In 1993, the Recycle Plus Program
7 began.

8 --o0o--

9 MR. BANTILLO: It wasn't simple. We had been
10 advertising our program, doing lots of education with the
11 residents. And, of course, it was very exciting on the
12 first day of collection to learn the residents were so
13 excited about our program, they had been stockpiling their
14 recyclables for a very long time, which, in addition to
15 some of our other operational issues, led to a glut of
16 recyclables on the streets. And it took us quite a bit of
17 time to get them picked up.

18 --o0o--

19 MR. BANTILLO: But once we recovered from that,
20 this is what we would handle on a regular basis. You see
21 the yard trimming on the left, mixed recyclables
22 container, cardboard, used motor oil. We've got three
23 bins. There we have mixed paper, used paper, and bottles.
24 The bag there on the right with the tag on it was for
25 extra garbage, in case somebody had more garbage than

1 could fit into their 32-gallon cart. And roughly over 70
2 percent of the city subscribed to that 32-gallon cart.
3 Prior to this system, we had unlimited garbage collection.
4 This system we converted to unlimited recycling
5 collection.

6 --o0o--

7 MR. BANTILLO: In 1997, we expanded the program
8 to simplify it a little bit. We added plastics 1 through
9 7. Prior to that, we were doing narrow-neck containers, a
10 little confusing for the residents. We added used motor
11 oil filters, and we also added scrap metal to it.

12 The incentives are key for our programs in San
13 Jose. All of our diversion programs are based on
14 incentive -- financial incentives. We have a
15 pay-as-you-throw system. The current base rate is \$16.80,
16 which is only a few dollars higher than the original price
17 we started charging back in 1992. We also have a bulky
18 item pick up and that's \$21.25. Again, trying to focus on
19 people generating less waste. We also recognize people
20 have large items that they want to get rid of. We also
21 pick up one CRT for that \$21.25 or three other bulky
22 items.

23 --o0o--

24 MR. BANTILLO: So the incentives here are also on
25 the haulers, not just the residents. It's structured to

1 encourage recycling. The haulers were provided a base
2 rate on per household month compensation, as well as an
3 incentive rate. They were able to keep salvage revenue as
4 well as a payment per ton recycled. So the materials that
5 they got to market we actually paid them for.

6 On yard trimmings, we also have an incentive rate
7 for the processors for developing a finished product that
8 went into agricultural use as well as use around cities,
9 parks, and community gardens. And we also encourage
10 market development and distribution of that material
11 throughout the markets.

12 --o0o--

13 MR. BANTILLO: E-waste, I know it's a very big
14 topic for a lot of people, not just around the state, but
15 around the county. I mentioned we do pick up the CRTs
16 through our bulky goods program. Well, we also collect
17 some of the computers through our neighborhood cleanup
18 program.

19 Home composting, we've been operating this
20 program for approximately ten years or so. We do
21 subsidize bins for the residents and city employees. And
22 we also encourage grasscycling. You can find information
23 on those items on our website. We also have a really good
24 partnership with the County of Santa Clara on the County's
25 Home Composting Program. And we've been very successful

1 with that so far. The County has been doing a tremendous
2 job on education, and we're just happy to be participants
3 in that program. We did set as a target for backyard
4 composting 5 percent of all San Jose residences. We're
5 pretty close to that right now. We have over 9,000
6 recycling composting bins throughout San Jose
7 neighborhoods.

8 --o0o--

9 MR. BANTILLO: As our residential waste stream
10 now, which makes up about 25 percent of San Jose's waste
11 by weight, yard trimmings is about 61 percent of that. A
12 single family contributes 35 percent, a multi-family about
13 4 percent. And we recycled over 200,000 tons last year.
14 Our diversion rate on the residential side is about --
15 just under 45 percent.

16 --o0o--

17 MR. BANTILLO: Our Commercial Program, commercial
18 sector makes up nearly 75 percent of all the tons
19 generated in San Jose. In 1985 through 1994, Waste
20 Management had an exclusive contract for garbage from all
21 San Jose's business. In 1995, again, in following our
22 strategies with the City Council, we adopted a free
23 market -- the Council adopted the free market competition
24 policy, which allowed us to go from an exclusive system to
25 a non-exclusive system. We awarded 24 non-exclusive

1 franchise agreements, and currently 27 companies have
2 franchises. The goal is to increase competition,
3 hopefully have a greater range of services provided,
4 better customer service, and of course, lower rates for
5 the customers. Based on the surveys that we have done in
6 our business sector, we found that we're pretty much on
7 target with those.

8 In that system, the hauler pays fees to the city
9 based on cubic yards of garbage service. There's a
10 franchise fee that's levied on the hauler. An AB 939 fee
11 is levied on the generator for recycling. A franchise
12 fee of 3.24 per yard goes to the City's General Fund. An
13 AB 939 fee of 60 cents per yard goes to fund our programs
14 of recycling. An additional incentive in there to
15 generate less waste is that at the landfills in San Jose,
16 there's also a disposal facility tax of \$13 per ton.

17 --oOo--

18 MR. BANTILLO: Incentives within our Commercial
19 Program, a few years back we initiated a Recycling Rebate
20 Program for businesses that wanted to enhance an existing
21 recycling program or start a new one. We set a limit of
22 \$5,000 for these businesses, and some of the projects that
23 we did fund, people wanted to purchase reusable plates and
24 cutlery, additional janitorial carts, bailers, and
25 desk-side receptacles.

1 --o0o--

2 MR. BANTILLO: Also in the late '90s we initiated
3 a food waste composting pilot. We had three haulers that
4 took part in this pilot program. We targeted grocery and
5 restaurant waste. We estimate there was about 6,000 tons
6 per year that we've been collecting from that pilot. We
7 have since included an organics and food waste category
8 within our commercial franchises. So the pilot has ended
9 and we've instituted the organics collection.

10 --o0o--

11 MR. BANTILLO: We also provide technical
12 assistance to all the businesses around San Jose who have
13 interest in it. We found that 64 percent of all
14 businesses are recycling, based on our surveys. We've
15 also found it works best for large- and medium-size
16 businesses. The issue here is whether they're able to
17 take advantage of increasing the recycling service to get
18 a savings on the fees they would pay on garbage. The
19 challenge that we have here is in multi-tenant office
20 buildings, because of the disconnect between the property
21 managers and the tenants of the buildings, as well, that
22 fee break doesn't really provide savings to the businesses
23 who have less than a cubic yard of service. We're trying
24 to find ways to provide those kinds of incentives to small
25 businesses as well.

1 --o0o--

2 MR. BANTILLO: Additional Commercial Program
3 incentives. You may have heard about our award-winning
4 Construction, Demolition, Diversion Deposit Program. And
5 in this program, a builder or owner applies for a permit.
6 They're assessed a deposit based on square footage and the
7 type of the project. And they haul their materials to a
8 certified facility. And I'll talk a little bit about
9 certified facilities. And they return their documentation
10 to the city for a full refund.

11 --o0o--

12 MR. BANTILLO: Here is our website where the
13 customers can find any information they want on the
14 program and download a number of forms. We have included
15 additional information on salvage and deconstruction.
16 We'd like to move things a little bit higher up in the
17 hierarchy and toward higher and best use and try to get
18 some folks to generate less material in the first place
19 and encourage salvage materials, as opposed to other types
20 of recycling.

21 --o0o--

22 MR. BANTILLO: On the certified facilities, we
23 have a simple administrative certification for the inerts.
24 We know they do a wonderful job with the recovery. We've
25 targeted 90 percent recovery for them as a standard and a

1 full certification for all the facilities that handle
2 mixed C&D. We've set as a target 50 percent for them.
3 And you'll notice on there I've got ADC reduction. Again,
4 focusing on highest and best, alternate daily cover. When
5 we first started the program in 2001, we set as a limit
6 for credit in calculating that 50 percent, they could only
7 get 50 percent credit for any alternate daily cover they
8 used toward their diversion rating. In 2000 -- July of
9 2002, we reduced that to only 25 percent credit for any
10 ADC use. And come July of 2004, facilities will get zero
11 credit for any alternate daily cover they use.

12 --o0o--

13 MR. BANTILLO: And we've certified over 22
14 facilities -- I think there's 22 there -- a variety of
15 facilities from wood, reused carpeting, metal falls into
16 the inert category, as well as the rock and asphalt. But
17 key to making this program run would be the mixed C&D and
18 the landfill operations, bringing them on board. The
19 reason why they wanted to participate in the program was
20 because if they weren't certified, then they were
21 concerned, again competition at play, that their business
22 would go to the other facilities in the area. So there
23 was a tremendous incentive for them to enhance their C&D
24 operations already even start a new one.

25 --o0o--

1 MR. BANTILLO: Related to market development and
2 tied in specifically to our C&D program, over a two-year
3 period we offered \$750,000 in grant moneys to enhance C&D
4 operations and add new C&D processing. We awarded the
5 grants to three landfills, four processors, and one
6 individual. The unique item there is the one individual,
7 Materials Recovery, Inc. They started carpet recycling
8 at the Nubi Island Landfill. We're very excited about
9 that. We found in our waste studies that San Jose
10 generates at least 10,000 tons of carpet per year. And
11 working with that operator, we found they're going to be
12 processing close to 10,000 tons per year.

13 --o0o--

14 MR. BANTILLO: Also thinking of the city's waste
15 now, moving from the commercial sector. In 1997, we
16 implemented our RAW, Recycle At Work Program. We have 56
17 percent diversion of all city waste through 93 facilities
18 around the city and over 6,000 employees participating in
19 the program.

20 We also had good support from the City's
21 administration on this program. The City Manager includes
22 messages on our program to all the City employees via
23 e-mail, as well as throughout the City's newsletter. So
24 we're very excited about their support.

25 --o0o--

1 MR. BANTILLO: Also City programs, in 2000, we
2 implemented a public area recycling, which is funded
3 through the Department of Conservation grants. There's
4 133 parks throughout the city where we now have the
5 recycled content plastic containers on the right and the
6 metal containers on the left, 620 recycling containers
7 throughout the city and the parks, serviced by the San
8 Jose Conservation Corps.

9 --o0o--

10 MR. BANTILLO: Public area recycling, 800 public
11 trash receptacles throughout the city. We have recycling
12 tops on about 90 to 100 so far. Those recycling tops
13 allow passersby to put their cans and bottles in there
14 where they can be recovered later for recycling. And
15 through our SB 332 funding, we're going to continue public
16 area recycling and selling recycling tops and other
17 recycling activities at public facilities.

18 --o0o--

19 MR. BANTILLO: The changes since 2000 -- and this
20 is probably very apparent to you since you visited
21 California Waste Solutions yesterday. In 2002, we had
22 residential agreements where we implemented a
23 single-stream recycling program. It does come with some
24 performance standards and administrative charges to
25 enhance the performance. There's also continued incentive

1 payments for percent recycling. We've restructured how we
2 do that. We've added a yard trimming cart for those
3 residents that want to put their yard trimmings in the
4 street. That's a subscription, and they do have to pay
5 for that. Multi-family dwellings where we implemented a
6 Garbage Composting Pilot to find additional ways to
7 increase the recovery rate from multi-family stream. And
8 I mentioned our Commercial Food Waste Pilot.

9 And we're currently studying a financial model
10 and analysis of material flow and fee structures in San
11 Jose. One of the things that I pointed out earlier about
12 the franchise fees and the AB 939 fees on commercial at
13 one point, those were are roughly split down the middle.
14 In these tight budgetary times, as the cities struggle
15 with their budgets, we have shifted those fees to provide
16 more money to the general fund, and find that as we are
17 more successful with our recycling programs, we actually
18 generate less revenue to fund our programs. We're going
19 to be initiating a study to find out how the money flows
20 around the area and out of the area, as well as how that
21 relates to all the materials to come up with a new funding
22 mechanism possibly or at least a different financial
23 structure.

24 --o0o--

25 MR. BANTILLO: And that concludes our

1 presentation with our residential, commercial, and civic.
2 You see that our goal here is 100 percent San Jose.
3 That's our logo and recyclable where you live, work, and
4 play.

5 So I want to thank you for the invitation to
6 present San Jose's programs and appreciate you coming
7 down. Do you have any questions?

8 CHAIRPERSON MOULTON-PATTERSON: Thank you,
9 Mr. Bantillo.

10 Any questions?

11 You've done a fantastic job, and we again salute
12 you and all your efforts and your city's. You can really
13 tell when you drive around San Jose, it's beautiful.
14 Thank you.

15 MR. BANTILLO: Thank you.

16 CHAIRPERSON MOULTON-PATTERSON: At this time, I'd
17 like to go to our Board members for their reports.

18 Ms. Peace.

19 BOARD MEMBER PEACE: Is this working? Can you
20 hear me now?

21 Last month, I had several site visits. On
22 February 27th, I toured the Gregory Canyon Landfill
23 proposed site down in my neck of the woods, in San Diego
24 County. I toured that for the second time. How
25 interesting the contradictory information I hear in

1 talking to the project proponents versus the opponents. I
2 know this isn't the only project that has contradictory
3 information coming from reliable sources. Our staff
4 obviously works very hard to sort all this stuff out.
5 They will have their job cut out for them on this one.

6 On March 5th, I went to the Oti Landfill to look
7 at their new recovery area that they set up for self
8 haulers. They set up a whole new drop off area, and I
9 mean a drop off area. It's great. I was very impressed.
10 They have self haulers come in and back up to an area like
11 this, and then drop it off. There's bins down below for
12 metal, for glass, or green waste, for concrete. And they
13 have a director out there that directs the people. If
14 they have metal, they'll pull up here, drop it off. If
15 they have concrete in their truck, they move it over and
16 put it here. I just thought it was great. They even had
17 a receptacle for United Cerebral Palsy, people can put
18 their used clothing and used toys. And this is just one
19 more step in the right direction of turning waste streams
20 into resources. I think it was a great thing.

21 One thing, though, that I found out there that
22 was very concerning to me was that just a short time ago
23 they said used metal was going for \$50 a ton. It was
24 hardly worth it to collect it. Now it's going for \$250 a
25 ton, and it's being shipped to China. All of the U.S.

1 steel plants are closing with the work now being sent to
2 China. And I toured the NUMMI Auto Factory, I found it
3 very interesting they said they were committed to using
4 100 percent U.S.-made steel in their auto parts. He said
5 it's getting very hard with all the metal and stuff being
6 sent to China with our plants closing, that it's getting
7 harder and harder to do. And I just have to say it really
8 concerns me. I hope it concerns everyone, because what
9 happens when the United States no longer makes anything?
10 And I guess that's a discussion for another time. I'll
11 move on.

12 March 8th, I attended the CRRRA Conference. I
13 found the discussions on conversion technologies and
14 resource recovery parks very encouraging as again we look
15 to new ways to change our waste stream into resources.

16 On March 10th, I attended the Recycled Product
17 Trade Show. Again, it was encouraging to see what was
18 once considered waste transformed into new products.
19 There was everything from new carpet being made from old
20 carpet, new computer components being made from the lead,
21 gold, metal, and glass of the old computers.

22 For the conservation of our natural resources and
23 the protection of our environment, recycling has to be a
24 priority for all of us. I encourage all of you to buy
25 recycled whenever you have the opportunity to do so.

1 Also, on March 10th, I attended the LEA
2 Conference. There sure seems to be some confusion among
3 LEAs about what is needed to satisfy CEQA, like needing a
4 negative declaration just to add a bailer, versus relying
5 on an exemption for CEQA to double tonnage and vehicular
6 traffic. And I think you all know what permit I'm talking
7 about. And at the conference, after hearing the lame
8 excuse the LEA gave me for not doing an environmental
9 report -- but, oh, it costs too much money and takes too
10 much time and will probably come up with the same result
11 anyway, and there's already railroad tracks and planes
12 overhead, so why bother to do an environmental report? To
13 me, after that lame excuse, I personally would like to see
14 that LEA decertified.

15 I was very pleased, however, to hear that our P&E
16 staff has already put together a CEQA working group to try
17 to clarify some of the key issues. Our P&E staff is
18 always very on top of things. I'm very happy about that.

19 I guess one last thing. Our Public Outreach and
20 Education Committee did not meet this month. I did want
21 to give you an update on the implementation of AB 1548.
22 We've had a series of conferences, conference calls, and
23 meetings regarding the structure and process of
24 implementing this environmental education law. Bonnie
25 Bruce from Linda's office, Andrea Lewis from Agency are

1 co-managing this program. And it's really coming along.

2 They've done a lot of hard work.

3 We've had meetings with Secretary Riordon,

4 Superintendent Jack O'Connell to get them on board and let

5 them know what's happening, Jerry Lieberman, who I see in

6 the audience here has been working very hard. We've been

7 working on the preliminary drafts of the environmental

8 principles and the coordination with the existing

9 education standards. We're proposing today \$250,000 from

10 the Integrated Waste Management Account to negotiate the

11 drafting of the principles and the model curriculum, as

12 well as paying stipends to some of the education and

13 science experts to attend the meetings and do the

14 analysis.

15 It's a big, big effort. And I want to especially

16 thank Bonnie Bruce and Andrea and Rick from my staff for

17 their leadership on this very important program.

18 That concludes my report.

19 CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms.

20 Peace.

21 Mr. Paparian.

22 BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

23 I also had a pretty busy month the last month.

24 On February 25th, I went and visited the Electronic

25 Partners Corporation down in Los Angeles. They're an RMDZ

1 loan recipient who were doing some work on electronic
2 waste recycling. And I think their technology can best be
3 described as kind of a mining, of using mining-type
4 technologies to recover the materials and find markets for
5 the various components that they shred and slice and dice
6 and separate into some of the basic metals and plastics
7 and other components.

8 I visited the Simi Valley Landfill on February
9 26th. Very interesting facility with urban encroachment
10 problems on virtually all sides of the landfill.
11 Beautiful territory around the landfill right now.
12 Because it's so beautiful, it's beautiful territory for
13 development. And then I think they'll be facing some
14 issues in the coming months and years about that.

15 I spent a lot of time talking about e-waste in
16 the last month. We do have the coming deadlines, which
17 we're going to hear about later today, for the SB 20
18 e-waste legislation. I spoke about the legislation at the
19 Take It Back Conference in San Francisco on March 3rd.

20 On March 4th, I spoke to the County Councils
21 Association Hazardous Materials and Solid Waste Section,
22 and I think Bob Conheim helped me connect with this group.
23 I know -- as far as I could tell, the whole Legal staff
24 attended portions of that very productive working group.

25 On March 9th, I attended the CRRRA training

1 conference and once again talked about implementation of
2 SD 20 on a panel with Peggy Harris, Kevin McCarthy from
3 Waste Management, and Kevin Miller from the City of Napa.

4 On last Wednesday, I attended the Recycled
5 Products Trade Show, and I enjoyed the opening ceremonies.
6 Chair Moulton-Patterson spoke at the opening ceremonies,
7 along with Terry Tamminen. I spent a little bit of time
8 there then. Then I went back the next day to visit the
9 vendors and booths and so forth.

10 I've really got to say, this is -- it was the
11 most impressive Recycled Products Trade Show that we've
12 put on to date. You know, there were -- it felt like
13 there were more participants -- and I'm sure we'll hear
14 more from Patty a little bit later -- more participants,
15 more booths, and more energy associated with purchase and
16 use of recycled products than I've noted before. I think
17 Patty and Jerry Hart deserve a lot of credit for putting
18 on the wonderful show.

19 On March 10th, I also participated with Board
20 Member Peace and Board Member Washington at the LEA
21 Partnership Conference at their open forum for Board
22 members. It was a chance for us to give some of our
23 views, but mostly to let the LEA's talk to and question
24 us. As Board Member Peace mentioned, the CEQA issue was a
25 very important issue that came up. I agree with Board

1 Member Peace. We've got some real problems there in terms
2 of implementation of CEQA by some of the LEAs.

3 I went and drove by the facility in San Bruno
4 yesterday afternoon and convinced myself that there should
5 have been the initial environmental review. That was
6 avoided in that case. There are residents within a block
7 of the facility. There's narrow streets. There appears
8 to be some potential environmental justice issues in the
9 neighborhood. There was enough there that that initial
10 environmental review really needed to be done, and I think
11 that we had some serious misinterpretation on the part of
12 the LEA there.

13 Back to the LEA Conference for just a second,
14 though. That was also a very, very well run, very well
15 put on conference. And I think that P&E staff and Mindy
16 Fox, in particular, really deserve a lot of credit for
17 putting on a wonderful conference and also being flexible
18 and responsive. I know we were a little bit demanding,
19 some of us Board members, including myself especially, in
20 trying to get some of the scheduling changed to
21 accommodate some scheduling issues at CalEPA and needing
22 to be back at something at CalEPA. And the staff was very
23 graceful and accommodating about that.

24 I mentioned that I did quite a few presentations
25 on e-waste last month. Helping me with those

1 presentations were the -- I wanted to kind of push the
2 limits of my Power Point a little bit, and I put some
3 video clips in my Power Point, because I wanted to
4 demonstrate the Governor's and the CalEPA Secretary's
5 commitment to implementation of SB 20. And having clips
6 from them directly helped say that better than I possibly
7 could. Helping me accomplish that, as I say it was kind
8 of pushing the limits of the technology, I wanted to thank
9 Frank Simpson who helped really pull together the video,
10 Tom Estes and Deb Orrill for making it work in the Power
11 Point presentation.

12 And then, you know, the folks in our IME, the
13 Information Management folks, really do a remarkable job.
14 And Joe Guadagnino and Mark Umfress of that group
15 certainly were very, very helpful to me in understanding
16 how to make my laptop and Power Point presentation work.
17 So I want to thank them.

18 And again, thank -- you know, we have lot of
19 staff here doing a lot of good work. Last week, I think,
20 really showed how our staff can shine. We were involved
21 in three major events, the CRRA, the LEA Conference, and
22 the Recycled Products Trade Show. And I'm sure people
23 were pulling out their hair on the inside. From my
24 perspective going to each of the events, they really
25 showed the Board at its best, and I want to thank the

1 staff for that.

2 CHAIRPERSON MOULTON-PATTERSON: Thank you
3 Mr. Paparian.

4 Mr. Washington.

5 BOARD MEMBER WASHINGTON: I have a few items.

6 February 20th, 2004, I presented the WRAP of the
7 Year Award to the Toyota Company for their waste reduction
8 efforts, along with Secretary Tamminen who joined us for
9 this presentation.

10 March 3rd, I presented the WRAP of the Year Award
11 at the Fourth Annual Wrap Award Luncheon in the city of El
12 Segundo, California, where there was probably about 75
13 different businesses that had been recognized for their
14 effort to reduce waste in the state of California.

15 March 10th, I participated, as Mr. Paparian said
16 with Ms. Peace and myself, in the LEA Conference forum.
17 And then we went over to the Buy Recycled Trade Show,
18 which, again, was an excellent show. And again, I echo
19 Mr. Paparian's comments to the staff for doing such a
20 great job.

21 And again, I would like to raise the issue as it
22 relates to the funding for this Trade Show. I believe
23 that our sponsors can come from within the businesses that
24 we're dealing with in the state of California. And Madam
25 Chief Counsel, I would like to talk to you more about that

1 in terms of if there's any legal way that we can get it
2 done, where I understood when I first came to this Board
3 that that was a ruling by our former Chief Counsel that
4 there might be some conflicts of interest. I took issue
5 at that time, and again I take the issue again, and I
6 think we should take another look to see if we can provide
7 sponsorships from within those organizations who are
8 willing to participate and help out in our trade show.
9 And that concludes my report.

10 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.
11 Washington.

12 I would also like to echo my fellow Board
13 members' remarks on what a great job our staff did on the
14 Recycled Trade Show, the LEA Conference. They were just
15 outstanding. Just outstanding. And I did give the
16 opening remarks at the Recycled Product Trade Show.
17 Secretary Tamminen was very, very impressed with what
18 we've done there. And also the LEA Conference, there was
19 a lot of good dialog going on, Howard and his staff worked
20 very hard on that. I think that is time well spent.

21 I also gave opening remarks at CRRRA and attended
22 the Wine Institute Reception where I talked with Secretary
23 Kawamura of the Food and Agriculture about joint projects
24 that we can do with the vendors up in that area.

25 And enjoyed, as I said, the California Waste

1 Solutions tour yesterday very much. It was very
2 interesting what they're doing.

3 I also, as many of you, attended the Management
4 Forum with Ed Begley and First Lady Maria Shriver. They
5 were very, very complementary about what we are doing at
6 CalEPA. And in the post-reception with Mr. Begley, he
7 specifically pointed out what great work the Waste Board
8 is doing. That was a really great opportunity.

9 I do want -- and I also attended the Keep
10 California Beautiful Board Meeting in San Diego. That
11 organization, as Jill said, just continues to do a great
12 job. And I enjoy very much being on that Board.

13 I did want to say a goodbye. As you know, Steve
14 Jones and Jose Medina are not with us anymore. We are
15 going to miss them a lot. They both added a great deal
16 this Board. We will be honoring them in the next month or
17 so with Resolutions and giving everyone a chance to say
18 goodbye. I know, Mr. Jones, there was a staff goodbye for
19 him, and I was unable to attend. But the Board would like
20 to honor both these very outstanding Board members.

21 And, on that note, I did want to say that even
22 though work on the Committees informally is going on, it's
23 very difficult to have Committees with four Board members.
24 We will be -- as soon as we get some more Board members
25 appointed, we will be reorganizing our Committees'

1 structure, and I certainly want to put those back in
2 place. It's not that I don't think the Committees are
3 doing a great job. It's just during this time of
4 transition, we really needed to take a break because we
5 didn't have enough people. So we will be reinstituting
6 the Committees with a reorganization of the Committees
7 when we have new Board members. So I wanted to make that
8 perfectly clear. With that, I would like to turn it over
9 to our Executive Director, Mark Larry.

10 EXECUTIVE DIRECTOR LEARY: Thank you, Madam Chair
11 and Board members.

12 Let me start by saying thank you very much for
13 your positive comments about the staff work of the last
14 week. Really appreciate those expressions of support and
15 appreciation for the hard work your staff does day in and
16 day out that was particularly public last week in the two
17 conferences.

18 I'd like to start my report with a little news on
19 the Jiminy Cricket Environmental Challenge. The Jiminy
20 Cricket Environmental Challenge Program is a fun,
21 exciting way to inspire fifth graders to learn more about
22 their Environment and to apply their understanding through
23 the development of an interdisciplinary environmental
24 action project that incorporates California's state
25 content standards.

1 The program is a result of a unique partnership
2 between the Walt Disney Company and the State of
3 California as an environmental education interagency
4 network. In this ten years of this partnership, the
5 program has reached over 105,000 students. In this school
6 year alone, more than 10,000 students participated. I'm
7 very pleased to announce this year the winner -- drum
8 roll, please -- teacher Deni Lopez from the class at Park
9 View Center School in Simi Valley, Ventura County, is this
10 year's winner. Their project is entitled, "It's
11 Everybody's Trash."

12 The class goal was to maintain and improve the
13 school's worm farm, include the entire school in the
14 recycling program, and to clean up their campus. The
15 students created and documented the schools recycling
16 program so other schools can adopt similar programs. In
17 addition, the project aimed to provide a community service
18 to local parks damaged in last year's terrible fires.

19 To give you a sense of how hard these students
20 worked, they ran the school's worm farm. They maintained
21 the school's quarter-acre garden. They managed the
22 school's paper recycling program. They produced a video
23 on how to start a paper recycling program they could share
24 with other schools. They replanted trees in areas burned
25 by recent fires and conducted cleanups in burnt areas.

1 And finally, they taught recycling lessons and organized a
2 school-wide recycling contest.

3 There are 26 students in Deni Lopez' class.
4 Their project reached more than 500 students at the Park
5 View Center School. A special award ceremony will be
6 held, Friday, April 16th in Disneyland where the class
7 will be the honored guest. The Board's Office of
8 Environmental Education and Public Affairs are both
9 working closely with the Disney Corporation in planning,
10 hosting, and videotaping this year's event.

11 Now I'd like to move to the statewide diversion
12 rate estimate. I'd like to take this opportunity to
13 announce the statewide diversion rate calculation for 2003
14 has been verified at 47 percent. This, of course, is a
15 very slight decline from the 48 percent in 2002. Board
16 staff had delayed the calculation of this rate until this
17 month, pending some additional analysis related to
18 increases the statewide disposal, as well as economic
19 activity affecting the adjustment factors that may impact
20 the overall diversion rate calculation.

21 We believe now we have a pretty good
22 understanding of why this slight decline occurred. First,
23 construction activity increased dramatically in 2003. The
24 number of authorized housing permits rose 17 percent over
25 the previous year. The increase in construction activity

1 is likely responsible for much of the increase in
2 disposal, it may not be reflected by the factors the Board
3 uses in their approved adjustment method. Staff is
4 currently investigating whether or not this is the case.

5 Another factor that may impact diversion rate
6 calculations estimates is the e-commerce activity. The
7 adjustment method for calculating the statewide diversion
8 rate includes taxable sales as an important factor. And
9 much of the e-commerce activity is not included in the
10 sales. We all expect e-commerce to continue to increase,
11 therefore, this will continue to be an important issue for
12 our Board. Staff is currently investigating the increase
13 in e-commerce and its impact on the adjustment method
14 factors. Increased disposal and economic activities
15 that's not included in the adjustment factors leads to a
16 decrease in the inversion rate.

17 Because of these issues, staff is looking at the
18 possible use of alternative adjustment factors and
19 calculating future diversion rates. Completing this task
20 will required focused efforts on the part of Board staff
21 and potential contractors.

22 And then finally, I'd like to report on the loans
23 for the General Fund. Just like last year, the
24 Controller's Office continues to use the Board's funds for
25 short-term loans to the General Fund. As background, let

1 me briefly explain the conditions under which these loans
2 be made. Government Code Section 16310 allows the
3 Governor to order the Controller to direct the transfer of
4 all or any part of the monies not needed in other funds or
5 accounts to the General Fund, if the General Fund is
6 exhausted. All monies so transferred must be returned to
7 the funds or accounts from which they were transferred as
8 soon as there are sufficient monies in the General Fund to
9 return them. No interest shall be charged or paid on any
10 of the transfers. In the past, the loans were repaid
11 within the same fiscal year.

12 The current balance of all loans outstanding from
13 the Board's accounts to the General Fund is correctly \$13
14 million. The status of the loans from individual accounts
15 includes 1.3 from farm and ranch, 5.5 from IWMA, 2.0 from
16 oil, 900,000 from the RMDZ account, and 3.3 million from
17 tire, totaling \$13 million. Although a significant
18 amount, we do not anticipate these loans will in any way
19 effect our Board programs for this year.

20 With that, Madam Chair, I'll conclude my report.

21 CHAIRPERSON MOULTON-PATTERSON: I know there's
22 several questions. I just wanted to ask you on this last
23 point, you said generally they've been paid back in the
24 same year. Don't they have in one of them until 2009? I
25 mean, they could do that?

1 EXECUTIVE DIRECTOR LEARY: That's actually in
2 last year's Governor's budget. This was a permanent --
3 well, not permanent loan, but it was a long-term loan.
4 These are cash-flow kind of loans where the General Fund
5 is -- monies are shifted back and forth among funds to
6 make the cash flow of the state work on the General Fund.

7 CHAIRPERSON MOULTON-PATTERSON: On that permanent
8 loan, we don't really expect to get it back?

9 EXECUTIVE DIRECTOR LEARY: 2009 is -- the
10 Governor's Budget Act included it would be paid to us in
11 2009.

12 CHAIRPERSON MOULTON-PATTERSON: Thank you.
13 Mr. Paparian.

14 BOARD MEMBER PAPARIAN: Thank you, Madam Chair.
15 I'm going to focus on the diversion rate issue
16 for a little bit. It's very troubling to me that we're
17 heading in the wrong direction where we should have hit
18 50 percent by the mandates of 939. And I think this is
19 the first time that instead of going up, it's gone down.
20 And there have been -- in the past, there have been
21 increases in construction activities and increases in
22 e-commerce, and it hasn't led to the diversion rate going
23 in the wrong direction.

24 And I think if a local government came before us
25 and said their diversion rate had gone down and that they

1 had concerns about how they were calculating things and
2 they're going to be back and look at the calculations, we
3 would say, "That's fine. You may have some problems with
4 the calculations and so forth, but you also need to look
5 at your programs. What programs are you guys going to do
6 in addition to that?" I think that's what we need to do
7 at this point, too. I think we need to do as Mr. Leary
8 has suggested, take a look at our calculation
9 methodologies and see if there's any issue there.

10 But I think at the same time, and perhaps even
11 more importantly, we need to look at our programs and see
12 if we're doing everything we can do to get this state up
13 over the mandated 50 percent level and beyond as much as
14 possible.

15 So I do have some specific suggestions to perhaps
16 start the discussion of how we can accomplish that. And I
17 have actually five specific suggestions. The first one
18 would be that we ask each division and office in the Board
19 to take a look at their programs, take a look at the best
20 ideas that they have, talk amongst their staff, and tell
21 us what they're already responsible for that's running
22 into stumbling blocks that could lead to additional source
23 reduction and recycling if those stumbling blocks were
24 removed.

25 Also, secondly, take a look at what they could

1 do, what could each of the programs and the Board do to
2 further source reduction and recycling beyond what they're
3 already planning to do in our divisions and programs?
4 What are the new ideas out there? What additional things
5 could we do to promote source reductions and recycling in
6 California? What would it take? Would it take
7 legislation? Would it take money? Would it take public
8 relations? Would it take regulations on our part? What
9 would it take? Let's come up with some of the best ideas
10 and start talking about them and putting them forward.

11 The third idea -- and Chair Moulton-Patterson has
12 asked Cheryl Peace and myself to -- this is a good
13 coincidence, I think. She asked Cheryl Peace and myself
14 to solicit some good ideas from the staff on a variety of
15 topics. And I think that now that we know what's
16 happening with the diversion rate, I think maybe we should
17 focus on the best ideas from the staff that the Board can
18 help accomplish.

19 The fourth idea I have, I think we ought to have
20 a public workshop in the next couple months and bring in
21 some of the best thinkers, some of the local governments.
22 There are some visionary thinkers in California about what
23 California can do to further source reduction and
24 recycling. Bring in some of the affected industries.
25 We've been working the C&D groups and other groups. Let's

1 get some of the best outside thinking about what the Board
2 can do to promote further source reduction and recycling.
3 Let's see what we can do to pursue that.

4 And finally, in the next perhaps 60 to 90 days,
5 maybe by May or June, we should have an agenda item back
6 at this Board with presentations on all these things.
7 What are the best ideas from the staff? What can we do
8 that we weren't already planning to do? What can we do to
9 improve on what we're already planning to do? What are
10 some of the best ideas from inside and outside the Board?
11 Let's start taking some action.

12 I think that going from 48 to 47 may lead to some
13 public attention on the Board, may lead to some
14 legislation attention on the Board and our programs. I
15 think it's kind of a wake-up call to us. I think we need
16 to step up and really do more to be more aggressive and
17 more -- to implement more programs to assure that the
18 state does get to 50 percent and beyond.

19 CHAIRPERSON MOULTON-PATTERSON: Thank you,
20 Mr. Paparian. I certainly agree with you.

21 Ms. Peace.

22 BOARD MEMBER PEACE: Those are really good ideas
23 that Mike has. I know we're going to try to set up an
24 electronic suggestion box or something where staff can
25 give us some ideas. And we can get together maybe and --

1 brown bag lunches or whatever and try to get together and
2 hear some of the ideas. I think our staff are the ones
3 that hear this stuff all the time. They're the ones that
4 know what things are causing problems, where things could
5 be better. And like Mike said, we want to hear the ideas,
6 whether you think they cost too much money or we can't do
7 it because of legislation, we can't do it because of
8 regulation, doesn't matter. We want to hear them anyway.
9 You guys have some really good ideas, Mike has. I'd like
10 to move forward on them.

11 CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms.
12 Peace.

13 Also on the public forum, I can't remember
14 exactly what we called it. But one of the best days I
15 spend at the Waste Board, was after I was shortly
16 appointed, we had panels on different groups of self haul
17 and different things and different staff members, people
18 from the industry. I can't remember exactly, but I do
19 know that that was very, very helpful. And I think if we
20 had something like that along the line -- I don't think
21 you were here yet, Mike. But I know it was a really good
22 day and I learned a lot from some of the people out in the
23 field. So I'd really like to see something like that
24 also. So thank you.

25 Okay. I see no other lights at this time. So we

1 will go to our agenda. Let's just briefly go over the
2 order.

3 Items 2 and 22 have been pulled.

4 Items 1 and 4 through 12 are proposed for consent
5 agenda.

6 Items 3 and 13 through 21 will be heard by the
7 follow Board.

8 The Board needs a very, very brief, perhaps,
9 five-minute closed session to discuss personnel issues
10 pursuant to Government Code 11126(a)(1), and I propose we
11 have that -- we don't have a room for closed session, so
12 after this room is cleared for lunch, that we just stay an
13 additional five minutes and take care of that and then
14 we'll have our lunch break.

15 Again, Items 3, 13 through 21 -- oh, excuse me.
16 Item 1, 4 through 12 are on the proposed consent agenda.
17 Does anyone wish to pull any item?

18 BOARD MEMBER PAPARIAN: Madam Chair, could I just
19 clarify something? We have a letter from Mr. Patrick
20 Munoz regarding Item 8. It appears that Mr. Munoz just
21 wanted this on the record and wasn't seeking any
22 discussion of this or seeking to have it pulled off the
23 consent calendar. I see him nodding his head yes, to
24 leave it on the consent calendar with his letter in the
25 record.

1 CHAIRPERSON MOULTON-PATTERSON: That was my
2 understanding. Thank you.

3 BOARD MEMBER PAPARIAN: I'm fine with that, and
4 I'd like to move the consent calendar.

5 CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you.
6 We have a motion by Mr. Paparian.

7 BOARD MEMBER PEACE: Second.

8 CHAIRPERSON MOULTON-PATTERSON: Seconded by Ms.
9 Peace to approve the consent calendar. And again, those
10 numbers are Item 1, 4 through 12.

11 Please call the roll.

12 SECRETARY WADDELL: Paparian?

13 BOARD MEMBER PAPARIAN: Aye.

14 SECRETARY WADDELL: Peace?

15 BOARD MEMBER PEACE: Aye.

16 SECRETARY WADDELL: Washington?

17 BOARD MEMBER WASHINGTON: Aye.

18 SECRETARY WADDELL: Moulton-Patterson?

19 CHAIRPERSON MOULTON-PATTERSON: Aye.

20 Also I might know note we're going to be taking
21 17 and 18 out of order. They will be heard after 14, but
22 before 15. So we'll be taking those out of order.

23 And that brings us to Item Number 3.

24 DEPUTY DIRECTOR WOHL: That's me. Good morning.

25 CHAIRPERSON MOULTON-PATTERSON: Which is

1 Consideration of Approval to the Report of Legislature
2 Polystyrene Use and Disposal in California, Pursuant to
3 SB 1127, Senator Karnette.

4 DEPUTY DIRECTOR WOHL: Yes. Thanks. And Calvin
5 Young will present.

6 CHAIRPERSON MOULTON-PATTERSON: Good morning
7 Mr. Young.

8 MR. YOUNG: Good morning, Madam Chair, Board
9 members. My name is Calvin Young with the Plastics
10 Recycling Technology Section. I have a two-and-a-half
11 hour presentation covering polystyrene disposal called,
12 "The Good, the Bad, and the Ugly," but I'll save that for
13 another day.

14 CHAIRPERSON MOULTON-PATTERSON: We appreciate
15 that.

16 MR. YOUNG: Just kind of keeping it brief today.
17 First off, acknowledging the report itself was, indeed,
18 required under SB 1127, Senator Karnette, required us to
19 take a look at the use and disposal of polystyrene in
20 California, various aspects of how it enters the waste
21 stream, and to make some recommendations as far as how to
22 improve the situation and how to deal, perhaps, with some
23 of the adverse issues related to polystyrene.

24 The process itself was conducted for large part
25 in conjunction with our plastics white paper process,

1 which was headed up by New Point Group, a consulting firm.
2 They finished their activity in this about a year ago, and
3 the balance of the time has been spent with staff working
4 directly with stakeholders to clarify various issues, get
5 additional up-dated information, and basically gather
6 support.

7 I'm pleased to report that, as I think all of
8 your offices have received, oh, probably a handful of
9 letters of support from various folks in plastics
10 industry, including the American Plastics Council/American
11 Chemistry Council, the Polystyrene Packaging Council,
12 Alliance of Foam Packaging Recyclers, FP International,
13 which is a major producer and recycler of polystyrene in
14 California. So we've taken this a long ways. We've
15 addressed a lot of the issues.

16 The report does a good job as far as setting some
17 background information, citing some statistics and figures
18 as required by the legislation, and goes on to discuss some
19 various policy options. And I'm going to make this brief.

20 Basically, polystyrene itself -- although
21 plastics comprise about 8.9 percent of the waste stream or
22 a little over 3.3 million tons in our 1999 Waste
23 Characterization Study, polystyrene comprised
24 approximately .8 percent of the total waste stream. While
25 the report looked at polystyrene specific, it also took a

1 broader brush to provide a little context as far as the
2 broader issue of plastics, which has been a major focus
3 for staff at the direction of the Board following the
4 white paper activities.

5 The biggest area that seems to be needing to be
6 addressed is that of the unintended consequences of food
7 service polystyrene. Primarily that related to litter,
8 illegal discards, human behavior, and other aspects,
9 however you want to term it. So the report has a fairly
10 good discussion on that and makes recommendations,
11 basically in four points. Those are to have a
12 collaborative, coordinated effort on litter prevention
13 efforts, for those that are following legislation, is
14 amazingly similar to AB 1466, which is by Assemblyman Paul
15 Koretz, which speaks of a unified litter prevention
16 message and a coordinating Council or Committee with the
17 Board as one of the lead participants on that.

18 One of the things that also came out during our
19 research in this polystyrene report was while there's
20 little snippets of information regarding the impact of
21 litter, there's not really a good, comprehensive study of
22 the situation and all of its components. There have been
23 various studies related to the storm drain issues down in
24 Los Angeles, primarily related to the trash TMDLs by local
25 regional Water Board down there. There's been studies in

1 the Fresno area. There's been small studies here and
2 there often looking at best management practices for items
3 entering the storm drain, but nothing really
4 comprehensively looking at litter and its various
5 components. While that may not be directly related to
6 market development, it is related to our other aspects
7 with waste management. So the report basically recommends
8 the conducting of a waste -- a litter study.

9 And to go along with that is changing how we
10 approach some issues with litter, perhaps changing on how
11 litter tickets are issued, and asking the Legislature to
12 take a look at that.

13 And finally, one of the areas that emerged in our
14 various discussions and research as a possible alternative
15 or form of source reduction -- and by that I mean,
16 substituting a recyclable or compostable product for
17 something that is non-recyclable, the area of compostable
18 food service materials came up. That somewhat of a little
19 bit of a nitch. Probably not widely -- probably doesn't
20 have as wide of an appeal as food service polystyrene
21 currently in every McDonald and Jack in the Box and what
22 have you. But may some have applicability, especially in
23 those situations where it's a large venue and there could
24 be a food waste composting program or where there is a
25 captive audience, an institutional setting, such as

1 Corrections or education. So the report basically makes
2 those various recommendations.

3 Again, it's been discussed at great length, and
4 a great deal of input from a variety of stakeholders
5 internal and external. It's been reviewed by Department
6 of Conservation, which was our partner in funding this.
7 And they've blessed it. As well as the Water Board has
8 reviewed and blessed it for their portions relating to the
9 TMDL and other issues. The only thing they had to correct
10 were some minor dollar cost figures as far as cleanup.

11 There is some minor items in there that will be
12 picked up in Public Affairs editing, some minor formatting
13 things, and a couple of non-substantive suggestions made
14 by stakeholders. But otherwise, the report is basically
15 ready to go.

16 CHAIRPERSON MOULTON-PATTERSON: Thank you,
17 Calvin. And I just wanted to let you know we received a
18 number of letters complimenting you on your style and
19 approach and your follow-through. We really appreciate
20 getting those letters. These are from stakeholders that
21 have worked with you. So thank you very much.

22 Mr. Paparian, did you have some questions and
23 comments?

24 BOARD MEMBER PAPARIAN: Yeah. A couple
25 questions. The agenda item talks about the relationship

1 to the Strategic Plan. And when I look at the Strategic
2 Plan -- this may not be so much of a question for you,
3 Calvin, as maybe Mr. Leary or somebody else on the staff.
4 When I look at the Strategic Plan, when it addresses
5 problematic waste streams, it suggests that we look toward
6 manufacturer responsibility and product stewardship and
7 it's very specific in those areas. And that does not seem
8 to come forth in this report, anything to promote a
9 product stewardship approach, as we're trying with paints,
10 as we've tried with carpets in the past, as we're trying
11 now with electronic waste.

12 Would there be a problem -- first after all, I
13 assume we're still in sync that is part of the Strategic
14 Plan. We'll be pursuing that. I'll ask, maybe, Mr. Leary
15 if that's -- I mean, is there any problem with continuing
16 to pursue a product stewardship approach to problematic
17 products, as it's called for in our Strategic Plan?

18 EXECUTIVE DIRECTOR LEARY: No, of course not. It
19 is part of our Strategic Plan. And we intend to endorse
20 product stewardship and make it happen at every
21 opportunity.

22 BOARD MEMBER PAPARIAN: I'm wondering if there is
23 a discussion in here about some of the areas where
24 manufacturers have attempted to engage and be helpful in
25 some of the recycling activities and so forth. But it

1 seems like this might be one that's ripe for some product
2 stewardship, perhaps if we talk to some of the other
3 states. We have a relationship with the Product
4 Stewardship Institute. I don't know if issues of
5 polystyrene have come up in other states. But I think
6 there may be some opportunities to pursue a product
7 stewardship approach, and perhaps we ought to add that to
8 the recommendations.

9 MR. YOUNG: Thank you, Board Member Paparian.

10 If I may add also, a couple of the segments in
11 the polystyrene world as it were have been very helpful
12 and very cooperative in some of these, most notably the
13 Alliance for Foam Packaging Recycling. That's basically
14 the group that takes the transportation packaging and
15 recycles it. They have got about a 12 percent nationally
16 recycling, but they're pushing over 20 percent in
17 California. They have several facilities here. They're
18 doing an okay job. They're doing a good job trying to
19 recover that. But they also have some issues, and we've
20 had discussions with them on product stewardship.

21 In fact, I'll be speaking on this report and
22 various issues next week at their EPS Expo in
23 San Francisco. They have been responsive and cooperative,
24 as have the polystyrene folks. It's been a little more
25 challenging dealing with the food service polystyrene, but

1 I think that is an area that is, again, something that we
2 can look at and something we can pursue with a little more
3 vigor.

4 BOARD MEMBER PAPARIAN: What I would suggest is a
5 fifth recommendation, something along the lines the state
6 should work with manufacturers and stakeholders to promote
7 additional manufacturer responsibility and product
8 stewardship of polystyrene. I think that would be
9 consistent with the Strategic Plan.

10 MR. YOUNG: Did you want that as product
11 stewardship or specifically manufacturers' responsibility?

12 BOARD MEMBER PAPARIAN: I don't have the
13 Strategic Plan. My recollection is it uses the two terms
14 somewhat interchangeably. So what I suggested is that we
15 work with those groups to promote additional manufacturer
16 responsibility and product stewardship.

17 MR. YOUNG: Okay.

18 BOARD MEMBER PAPARIAN: And then the only other
19 issue I guess it's more of a comment. There is a
20 discussion about source reduction and polystyrene being a
21 positive for source reduction because it weighs less than
22 other packaging. And I'm not sure I quite agree with
23 that, but I'm not sure where to go with it, to be honest
24 with you. I think for landfill operators, I think they'd
25 rather get a cubic yard of something denser than a cubic

1 yard of polystyrene just because their tipping fees would
2 be -- takes up less space in the landfill per pound than
3 the other stuff.

4 I think a lot of the other products, even though
5 they are heavier, are more recyclable, some of the paper
6 alternatives to polystyrene. Again, they can weigh more
7 initially, but they may be a lot easier to recycle and
8 there may be some life cycle benefits in comparison. So
9 even that's more a comment and I don't know quite what to
10 do with it. But I just -- the source reduction segment in
11 this report struck me as awkward, given those things.

12 MR. YOUNG: Thank you.

13 CHAIRPERSON MOULTON-PATTERSON: Would you like to
14 move --

15 BOARD MEMBER PEACE: No, I have a question.

16 Are we going through with a statewide litter
17 study, or is that just a suggestion?

18 MR. YOUNG: It is a recommendation. The SB 1127
19 asked for, among other things, recommendations. So that
20 is one of the recommendations that we're making to the
21 Legislature that there be -- it doesn't say who, and that
22 was purposely omitted. But --

23 BOARD MEMBER PEACE: What could a litter study
24 show us that we, basically, don't already know about
25 litter?

1 MR. YOUNG: What we have is some anecdotal
2 information and some limited studies -- by limited, I mean
3 geographically. There's been not a lot in the way of a
4 comprehensive approach done. And part of what it is
5 looking for in that report is, indeed, litter comprised of
6 various components. What are the best ways to keep those
7 components out of the waste stream -- out of the litter
8 stream?

9 BOARD MEMBER PEACE: Seems to me the best way to
10 keep them out of the litter stream is to work with the
11 manufacturers in terms of stewardship and responsibility.
12 I think it's their responsibility to maybe use less, or
13 not to use so much to begin with. Instead of when we get
14 something to eat, it's not wrapped in paper, then wrapped
15 in a shell, wrapped in a bag, and put in a cardboard box.
16 If we can work with the manufacturers and say we don't
17 need this much packaging, that would be good. We could
18 steer them in the direction of using compostable
19 products -- you know, compostable things that would be
20 another thing we could work on with them in terms of
21 stewardship and their responsibility.

22 But I think all of us have to take responsibility
23 for litter. I don't think that's the manufacturers'
24 responsibility for the way our society has become. I'm
25 really upset about it, and I don't know what we can do

1 about it. I mean, just yesterday, I was -- actually,
2 Sunday, I was at Target. And I was in the parking lot and
3 I was behind a car load of young girls, and they, just out
4 their window, threw all their trash out of the window. I
5 wanted to get out of my car and wring their necks.

6 And how we change that, I don't think we can
7 expect the manufacturers to change that. That's something
8 we have to change. But it's going to be a hard thing to
9 do through education. And I just remember going to my
10 kids' high school at lunch time. And after lunch --
11 they'd all eat lunch on the grass outside. And after
12 lunch, it looked like a dump. There was trash cans
13 everywhere, but the kids just left all their stuff all
14 over the ground. It's like, you know, when I was in
15 school, that was not allowed. How did we get to a point
16 today where we say to our kids it's okay to just eat your
17 half hamburger and throw it on the grass and not worry
18 about putting it in the trash can? Something has really
19 gone downhill here.

20 I don't think it's all the manufacturers'
21 responsibility for the litter we see out there. I think
22 it's parents' responsibility, teachers' responsibilities,
23 and kids' responsibilities. And we need to think of ways
24 to deal with that, instead of thinking it's all
25 manufacturers' responsibility.

1 MR. YOUNG: Thank you, Board Member Peace.
2 Indeed, that sentiment was pretty well echoed by many of
3 the stakeholders. One discussed what the current
4 situation as far as what is, indeed, littering. But the
5 realization also that to a large degree, with the
6 exception of things flying out the back of a pickup truck
7 or an uncovered load or what have you, a lot of the litter
8 situation is, indeed, human behavior.

9 That's why on number one on the recommendations
10 we have basically a collaborative, coordinated approach on
11 litter prevention methods, which amazingly is what's
12 embodied in AB 1466 by Assemblyman Koretz at this time,
13 which is a collaborative effort among the various state
14 entities to have a unified message for litter prevention,
15 to take the resources -- rather than Water Board doing
16 this message, and DOC, Department of Conservation, doing
17 their message and so on, so forth. But bringing everybody
18 together and trying to have a common message, so it hits
19 home more and more and more, and target those audiences
20 that, indeed, are more likely to litter than others.

21 So that's an outstanding point. That's what we
22 try to embody in Recommendation Number 1, and as well as
23 AB 1466, is the idea of there's got to be a better way to
24 do this. There's got to be some outreach, some effort,
25 some message to get out there.

1 CHAIRPERSON MOULTON-PATTERSON: Thank you,
2 Mr. Young.

3 Mr. Paparian.

4 BOARD MEMBER PAPARIAN: Madam Chair, with the
5 change, the added fifth recommendation in the product
6 stewardship, I'll move Resolution 2004-73, Consideration
7 of Approval of the Report to the Legislature, Polystyrene
8 Use and Disposal in California Pursuant to SB 1127.

9 BOARD MEMBER PEACE: Second.

10 CHAIRPERSON MOULTON-PATTERSON: We have a motion
11 Mr. Paparian, seconded by Ms. Peace. Without objection,
12 please substitute the previous roll call. Have we had
13 another roll call? No. We'd better go ahead and call it.

14 SECRETARY WADDELL: Paparian?

15 BOARD MEMBER PAPARIAN: Aye.

16 SECRETARY WADDELL: Peace?

17 BOARD MEMBER PEACE: Aye.

18 SECRETARY WADDELL: Washington?

19 BOARD MEMBER WASHINGTON: Aye.

20 SECRETARY WADDELL: Moulton-Patterson?

21 CHAIRPERSON MOULTON-PATTERSON: Aye.

22 I believe we'll take a ten-minute break now.

23 (Thereupon a recess was taken.)

24 CHAIRPERSON MOULTON-PATTERSON: I'd like to call
25 the meeting back to order, please. Thank you.

1 We have two people that are here that really will
2 not be able to wait until the end of the meeting for our
3 usual public comments, so I indicated through Ms. Waddell
4 we could hear them now if their comments were brief. I
5 have a Dr. Donna Cotner of the West Valley Citizen Air
6 Watch followed by Wendy Mezilis. I might not have
7 pronounced that right. So Dr. Cotner.

8 As you're walking up, ex partes, Ms. Peace.

9 BOARD MEMBER PEACE: Yes. I spoke to Judy Weir
10 from Madison Materials.

11 CHAIRPERSON MOULTON-PATTERSON: I have none.
12 Mr. Paparian.

13 BOARD MEMBER PAPARIAN: I spoke to Judy Weir and
14 Patrick Munoz, both from Madison Materials. And then I
15 talked to Ted Smith, Silicon Valley Toxics Coalition,
16 regarding SB 20 electronic waste implementation.

17 CHAIRPERSON MOULTON-PATTERSON: Thank you.
18 Mr. Washington.

19 BOARD MEMBER WASHINGTON: I have none.

20 CHAIRPERSON MOULTON-PATTERSON: Thank you.
21 So Dr. Cotner.

22 MS. MEZILIS: Actually, I'm Wendy Mezilis. Dr.
23 Cotner is going second.

24 Good morning. I'm a member of West Valley
25 Citizens Air Watch. That group was formed by concerned

1 citizens when our local cement plant in Cupertino began a
2 trial burning of tires as fuel. Since 1995, we've been
3 following this issue.

4 And I'd like to thank you for meeting in San
5 Jose, because it's so convenient for us. I really
6 appreciate that.

7 I understand that another study regarding
8 incineration of tires as fuel has been proposed. My group
9 is opposed to having this study done. I'd like to remind
10 you of the recycling hierarchy which is stated in the
11 Public Resources Code Section 40051. And I'll read from
12 that just a bit.

13 "The Board and Local agencies shall do both
14 of the following: A, promote the following waste
15 management practices in order of priority: One,
16 source reduction; two, recycling and composting;
17 three, environmentally-safe transformation and
18 environmentally-safe land disposal at the
19 discretion of the city or county."

20 Studies should be aimed at the top of the
21 hierarchy, source reduction and recycling.
22 Transformation, also known as incineration, is not
23 recycling. There are ways to do source reduction and
24 recycling. Thank you.

25 CHAIRPERSON MOULTON-PATTERSON: Thank you.

1 Is Dr. Cotner here?

2 MS. MEZILIS: Yes, she is.

3 CHAIRPERSON MOULTON-PATTERSON: Thank you.

4 Good morning.

5 DR. COTNER: Good morning. I'm also with West
6 Valley Citizens Air Watch. I was a founding member in
7 1995 who began the group.

8 I have a few questions for you. Is the Board
9 aware of the California AB 1756? This is regarding --
10 you're all aware of that?

11 CHAIRPERSON MOULTON-PATTERSON: Yes. And this is
12 public comments right now. Thank you.

13 DR. COTNER: Oh, I can't ask you questions?

14 CHAIRPERSON MOULTON-PATTERSON: You can ask
15 questions, and I'll have Mr. Lee --

16 BOARD MEMBER PEACE: The money for the study was
17 appropriated before the passage of that bill.

18 DR. COTNER: Okay. Do you understand that the
19 bill prohibits the Board from expending funds for an
20 activity that provides support for research for
21 incineration of tires?

22 CHAIRPERSON MOULTON-PATTERSON: Yes. Just
23 continue on. We'll have Mr. Lee respond.

24 DR. COTNER: Okay. So each one of you members is
25 aware of that? Okay. So I understand that you're saying

1 the study was commissioned before this bill was passed.

2 CHAIRPERSON MOULTON-PATTERSON: Yes.

3 DR. COTNER: Okay. Would you reject complying
4 with the spirit of the law that is passed?

5 CHAIRPERSON MOULTON-PATTERSON: We're here to
6 take your comments right now. And I afforded you the
7 opportunity before the usual time. If you could just give
8 us your comments, and we will respond to them when you
9 finish.

10 DR. COTNER: Okay. So those are all my questions
11 that you can respond to later.

12 So you've heard the comment about the spirit of
13 the law. What about the will of the people as reflected
14 in the vote of the Legislature? Are you responsive to
15 that? And I also might make you aware of a petition that
16 we circulated when we began and we realized there was a
17 problem with burning in our community, which is not too
18 far from here up in the hills of Cupertino, the Kaiser
19 Cement Plant. This petition has over 8,000 signatures on
20 it, and it's on file with the Bay Area Air Quality
21 Management District. And I will read it to you.

22 It says, "As a Santa Clara County resident, I
23 am opposed to the plan to burn tires at the
24 Kaiser Cement Plant in Cupertino. I count on the
25 Air District and the County to protect our air

1 and public health. You should not permit
2 additional amounts of that dioxin, metals, and
3 other toxic chemicals to be omitted in our
4 already highly polluted air. Under CEQA statute
5 21072(c) and 2167(f), this is a formal request to
6 be notified in writing about any and all
7 opportunities for public comment and public
8 participation regarding the tire burning
9 proposal."

10 So there are over 8,000 signatures on this
11 petition on file with the Air Board for our county. And I
12 believe this is a very strong statement of how people feel
13 about this issue. And it doesn't make sense to me, and I
14 doubt it would make sense to people who signed this
15 petition, other people who are not even aware of what the
16 Board is proposing to do in this study, that they're
17 highly concerned and they would wonder why you would be
18 spending \$100,000 in the state. It's our taxpayers' money
19 for a study, which, according to you, will be promoting
20 tire burning as a means of reducing the landfill.

21 So I think you just need to be aware that there
22 are a lot of people out there questioning the study and
23 trying to get answers from you why you're going ahead with
24 it, in spite of what the law says.

25 CHAIRPERSON MOULTON-PATTERSON: Thank you, Dr.

1 Cotner. And we certainly really appreciate you bringing
2 this to our attention. I would really like to give
3 Mr. Lee of our staff, head of our Special Waste, a chance
4 to respond, but I very much appreciate you bringing this
5 to our attention.

6 Mr. Lee.

7 DEPUTY DIRECTOR LEE: Thank you, Madam Chair. If
8 I could provide a brief context to this.

9 Last month Board staff held a workshop to receive
10 public comment on a draft scope of work for OEHHA to look
11 into the public health effects of burning tires. We
12 received comments from the West Valley Coalition, among
13 others, and basically we advised them at the time we were
14 going to take the thing back under reconsideration to
15 incorporate their comments.

16 It is our plan currently to bring this back
17 before the Board in April. The scope of work, again, does
18 not propose or promote additional tire burning. Like I
19 said, it's to look at the public health impacts of TDF
20 burning in the state. So it may provide some additional
21 information to help resolve some of the questions and
22 concerns that the West Valley Coalition and others have
23 brought up.

24 CHAIRPERSON MOULTON-PATTERSON: So at this point
25 simply a workshop has been held, and it will come before

1 our Board in April, is that what you're saying?

2 DEPUTY DIRECTOR LEE: I believe the current plan
3 is to bring it back at the April Board meeting for the
4 consideration of the scope of work.

5 CHAIRPERSON MOULTON-PATTERSON: Thank you.

6 Any other questions?

7 Ms. Peace.

8 BOARD MEMBER PEACE: I'd just like to say, from
9 what I understand, the data is inconclusive on the effects
10 of tire burning versus what is burned now, the coal.
11 Right now, from what I understand, we're basing a lot of
12 this information on old studies. And we want to do the
13 study to make sure that maybe tires are actually cleaner
14 than the coal they're burning now. I think I'd like to
15 know once and for all if that's the case. So I kind of
16 think we do need a new study.

17 This doesn't mean we're promoting it. There are
18 33 million waste tires in this state, and they're hard to
19 get rid of. We don't want to do that at the expense of
20 the environment. But if it's turned out that we can burn
21 them cleaner than what they're burning now, I think this
22 is a good thing to do a study on.

23 One thing, if we could get Caltrans to use more
24 rubberized asphalt concrete, there probably wouldn't be
25 any more tires to burn. So maybe your group could push

1 Caltrans to uses more rubberized asphalt concrete.
2 They're doing it, you know, in Arizona. In fact, the
3 citizen groups in Arizona actually pushed the use of
4 rubberized asphalt concrete, because it lowers the
5 decimals like four to seven decimals lower. It makes
6 everything quieter. So if your citizen groups could be
7 strong in trying to get our Legislature to -- in fact,
8 Lloyd Levine has a spot bill in to require Caltrans to use
9 more RAC. I believe right now it's at 15 percent.
10 They're going to try to get that higher. It needs to be
11 higher. So if your citizen groups can, you know, lobby
12 the Legislature over there and say, hey, you know,
13 Caltrans needs to do this, then there wouldn't be any
14 tires to burn.

15 DR. COTNER: I agree totally.

16 CHAIRPERSON MOULTON-PATTERSON: I do agree with
17 Ms. Peace, that definitely if you can lobby the
18 Legislature -- and hopefully they can have more support
19 than we have with Caltrans. We have been over there.
20 We're working very hard, but it's very slow to change.

21 The report, I certainly have an open mind on this
22 at this time, but it's my thought that this could show
23 conclusively exactly what Dr. Cotner and others are
24 saying; is that correct?

25 DEPUTY DIRECTOR LEE: That's our expectation,

1 Madam Chair, with the idea the study IS to be an objective
2 one, hopefully provide some a degree of clarity, you know,
3 on the competing opinions with regards to the public
4 health impacts of tire burning. So hopefully, it would
5 shed some additional light in that regard.

6 I certainly concur with Ms. Peace's remarks and
7 yours, Madam Chair, that we can certainly see the RAC
8 usage as being one of the main areas we need to pursue
9 more vigorously. As Mr. Paparian alluded to a little bit
10 earlier with regards to a diversion issue, it's something
11 we need to be particularly aggressive on this in
12 particular area to advance the RAC cause.

13 CHAIRPERSON MOULTON-PATTERSON: Mr. Lee, has the
14 Governor appointed the new Caltrans director yet?

15 DEPUTY DIRECTOR LEE: I do not believe. We do
16 have a Caltrans member in the audience speaking about
17 another item, and we probably can put that question to
18 him. He might have the latest information on that.

19 CHAIRPERSON MOULTON-PATTERSON: Thank you very
20 much. And thank you for coming, and we appreciate your
21 comments.

22 BOARD MEMBER PAPARIAN: Madam Chair, just
23 briefly.

24 CHAIRPERSON MOULTON-PATTERSON: Mr. Paparian.

25 BOARD MEMBER PAPARIAN: Thank you.

1 The witness suggested legal issues involving the
2 expenditure of this money. I think when this comes back
3 before us next month, the Legal Office ought to be
4 prepared to, you know, tell us one way or another what the
5 answers are there. And I don't know that you want to do
6 that right now. But when this item comes before us, we
7 ought to know one way or another whether there are legal
8 issues involving the expenditure of this money.

9 DR. COTNER: Can I make one more comment?

10 CHAIRPERSON MOULTON-PATTERSON: Very briefly. We
11 have a full agenda.

12 DR. COTNER: Probably, you're legally within your
13 rights to go ahead with the study, because it was
14 commissioned before the law. My question is the spirit of
15 the law. There's a spirit there. The Legislature has
16 said they don't want this. The people don't want it. Why
17 waste the money on something that you agree is not the
18 best use? You have all kinds of other ways to recycle and
19 reuse tires, which you're well aware of. And why are we
20 wasting money on something like this? So it's the spirit
21 of the law. Even if your Legal Department says, fine, you
22 know, you're squeaked by --

23 CHAIRPERSON MOULTON-PATTERSON: We understand.

24 DR. COTNER: One more quick question. Maybe you
25 can get back to us on this, not at this meeting. Who

1 actually originated this study, and who's responsible for
2 the idea behind starting this study in the first place? I
3 wanted to know that.

4 CHAIRPERSON MOULTON-PATTERSON: We'll certainly
5 look into that. Will you be able to be at our April Board
6 meeting?

7 THE WITNESS: I'm not sure.

8 CHAIRPERSON MOULTON-PATTERSON: Thank you. We
9 certainly take written comment too, if you'd like to
10 submit something.

11 DR. COTNER: Thank you very much.

12 BOARD MEMBER PEACE: Thank you. We do share your
13 concerns. We're all concerned about air quality.

14 CHAIRPERSON MOULTON-PATTERSON: Item Number 13.

15 DEPUTY DIRECTOR SCHIAVO: Good morning. Pat
16 Schiavo of the Diversion, Planning, and Local Assistance
17 Division. And Item 13 is Consideration of a Model
18 Construction and Demolition Diversion Ordinance. And
19 Terri Edwards will present this item.

20 MS. EDWARDS: Good morning, Madam Chair and Board
21 members.

22 Senate Bill 1374 carried by Senator Kuehl in 2002
23 required the Board to develop and adopt a model
24 Construction and Demolition C&D Diversion Ordinance to
25 provide jurisdictions with the tool to assist them with

1 diverting C&D waste. C&D waste can be a significant
2 portion of a jurisdiction's waste stream.

3 The legislation does not require jurisdiction to
4 adopt the Board's model or to adopt their own C&D
5 Diversion Ordinance. However, since C&D waste can be a
6 significant portion of a jurisdiction's waste stream, the
7 Board's tools and models will be helpful to many
8 jurisdictions.

9 In addition, Senate Bill 1374 added a new set of
10 circumstances related to C&D diversion to those previously
11 included in PRC Section 41850 that the Board shall
12 consider when determining whether to impose a fine on a
13 jurisdiction that has failed to implement its source
14 reduction and recycling element, or its SREE.

15 Specifically, if a jurisdiction has been issued a
16 compliance order for failure to implement its SREE and has
17 failed to meet the requirements of that order, and has
18 reported to the Board that C&D waste is at least a
19 moderately significant portion of its waste stream, the
20 Board shall include in its consideration whether the
21 jurisdiction has taken any action to divert that C&D
22 waste. The action could be adopting its own C&D Diversion
23 Ordinance, adopting the Board's model ordinance, or
24 implementing another program to encourage or require the
25 diversion of C&D waste.

1 Senate Bill 1374 also required Board staff to
2 consult with representatives of specific groups while
3 developing the model ordinance. Staff consulted with
4 those groups and others, including jurisdictions, League
5 of California Cities, Rural Council of Rural Counties,
6 California State Association of Counties, waste industry
7 representatives, C&D recyclers, and the building
8 construction materials industry. Staff from the Board's
9 Office of Local Assistance and the Markets Division also
10 reviewed many C&D Diversion Ordinances from around the
11 state the jurisdictions were already implementing, and
12 based on the model on those sections that were most
13 frequently used, as well as on the feedback received from
14 potential stakeholders.

15 Much of the feedback staff received was more
16 related to how to develop and implement an ordinance than
17 what should be in an ordinance. Staff incorporated the
18 advice provided by the stakeholders into a web-based
19 information page on the C&D diversion methods, including
20 ordinances. This information will be published on the
21 Board's website in April.

22 Senate Bill 1374 also required the Board to make
23 the draft model ordinance available for public comment
24 prior to final adoption. Board staff noticed the draft
25 model for public review and comment for the required

1 30 days from late December 2003 through January 2004.
2 Staff received nearly 100 individual comments from 21
3 interested parties, including jurisdictions, waste
4 management representatives, and the demolition industry.
5 Attachment 2 is the summary of the comments received.

6 The comments were mostly positive and provided
7 constructive suggestions for improvement. Staff revised
8 the draft model to reflect the comments received and/or
9 addressed the comments in the corresponding web-based
10 information page.

11 Attachment 1 is the revised version of the model
12 ordinance. You will see we have included 13 separate
13 sections in the model. Again, these were based on
14 existing ordinances already being implemented around the
15 state. To provide the model with maximum flexibility,
16 staff has included the most frequently used section in
17 existing ordinances, several options for threshold option,
18 and many fill in the blanks to allow a jurisdiction to
19 tailor the model to fit their own particular
20 circumstances.

21 For example, in the threshold section, there are
22 three options to choose from; one based on project costs,
23 one based on square footage, and a progressive threshold
24 option that would allow a jurisdiction to lower the
25 threshold over time to cover more projects.

1 It will be up to a jurisdiction to determine the
2 kind and size of project that would come under their
3 ordinance and to fill in the blanks provided to specify
4 the threshold dollar or square footage amount they choose.
5 Staff has also included a note to jurisdiction in several
6 sections of the ordinance to provide specific guidance on
7 those sections.

8 In addition, to take advantage of all the
9 information provided by interested parties during the
10 models' development that has been incorporated into the
11 information page, each section of the model will have a
12 direct link corresponding back to the section on the
13 information page. Both the model and the information page
14 will be available on Board's website after Board adoption
15 of the model.

16 Board staff believes the model ordinance as
17 proposed reflects the interests of various stakeholders
18 who participated in the model's development, and that
19 model will be a valuable and flexible tool for
20 jurisdictions that desire to adopt a C&D diversion
21 ordinance.

22 Lastly, Board staff will be conducting a public
23 workshop tentatively set for early June on the model and
24 the information page and how the two tools can and should
25 be used together. Panelists with expertise on C&D

1 diversion will also be invited to share their experiences
2 with C&D diversion ordinance. The workshop will be in
3 Sacramento and will be broadcast over the web.

4 That concludes my presentation. Are there any
5 questions?

6 CHAIRPERSON MOULTON-PATTERSON: Thank you.

7 Questions, Board members?

8 Ms. Peace.

9 BOARD MEMBER PEACE: I really don't have any
10 questions. C&D is still such a large part of the waste
11 stream that this is important. It's about time. This
12 needs to be done.

13 I think the only concern I've heard from some of
14 the demolition and construction people are that with every
15 jurisdiction being able to have a different model, that
16 could be very confusing for them to operate. I mean, how
17 much of a concern is this really? Is there anything we
18 can do about it?

19 MS. EDWARDS: Actually, we do address that in the
20 information page, because one of the things we found out
21 in talking to various stakeholders is that it's important
22 for ordinances to be similar within a county or even a
23 region. And it's just a lot easier to comply if it's
24 similar within that area. So the information page does
25 cover that.

1 BOARD MEMBER PEACE: Okay. Thank you.

2 CHAIRPERSON MOULTON-PATTERSON: Thank you. I
3 know Mr. Paparian wants to speak, too.

4 I just want to say I'm really glad to see this
5 coming forward. I know four years ago when I spoke to the
6 League of Cities they were very anxious for this to
7 happen. And I guess it took a Senate bill to get us to do
8 it, but I think it's a good thing. And I think you've
9 done a good job on it.

10 Mr. Paparian.

11 BOARD MEMBER PAPARIAN: Yeah. I agree this is
12 really an outstanding effort.

13 In terms of the -- as it is right now, it's up to
14 the localities whether they want to adopt the ordinance or
15 not, obviously?

16 MS. EDWARDS: Correct.

17 BOARD MEMBER PAPARIAN: Do we have any additional
18 tools of encouragement that we can use, perhaps, when they
19 come up for, you know, 939 extensions or reviews or in
20 other ways? Are there other things we could do to
21 encourage local governments to adopt this that might not
22 otherwise be adopting them?

23 DEPUTY DIRECTOR SCHIAVO: Actually, through the
24 time extension process, that's one way. Because what we
25 do when jurisdictions come forward with a time extension

1 is they have to lay out what their barriers are, the major
2 pieces of the waste stream they're trying to divert. And
3 in that process, we have the opportunity to direct them
4 through the C&D material types to implement an ordinance.
5 Also if they're getting closer to a compliance order, part
6 of the process is for us to go out and to assess their
7 waste stream and to look at programs they should
8 appropriately be implementing. So we can promote it that
9 way.

10 We're planning on trying to get out through our
11 website, as well as public comment, a contact trying to
12 get out into the field to promote the ordinance process.
13 As Terri mentioned, we want to promote it through regions
14 and counties so we can have as much similarity as
15 possible. And we're going to be having the workshop in
16 June to really kick that off.

17 BOARD MEMBER PAPARIAN: Okay. Great. Obviously,
18 you're already thinking a lot about this. I think this is
19 an example of the sort of thing I was mentioning earlier,
20 what are the additional things we can do that we might not
21 otherwise be doing. And perhaps as the staff talks about
22 this, you might come up with additional ways we can
23 promote the adoption of comparable ordinances.

24 BOARD MEMBER WASHINGTON: Madam Chair.

25 CHAIRPERSON MOULTON-PATTERSON: Mr. Washington.

1 BOARD MEMBER WASHINGTON: Just a comment toward
2 the information webpage. I know that you get to our local
3 governments, but I hope you will make it user-friendly for
4 stakeholders and all to be able to get on there and find
5 information that we can move along with this process.

6 DEPUTY DIRECTOR SCHIAVO: Exactly. They played a
7 big part in putting this together as well.

8 CHAIRPERSON MOULTON-PATTERSON: Thank you.

9 Is Mr. Bartillo still here that spoke with us
10 earlier?

11 EXECUTIVE DIRECTOR LEARY: Madam Chair, he needed
12 to leave, but he asked me to pass on to the Board that he
13 would speak in support of the staff proposal on this model
14 ordinance.

15 CHAIRPERSON MOULTON-PATTERSON: Right. I see on
16 comments, "supports staff, great job with open process."
17 He wanted that to be heard. Okay. Thank you.

18 Mr. Paparian.

19 BOARD MEMBER PAPARIAN: Madam Chair, I'd like to
20 move Resolution 2004-84, Consideration of the Model
21 Construction and Demolition Diversion Ordinance.

22 BOARD MEMBER PEACE: Second.

23 CHAIRPERSON MOULTON-PATTERSON: Motion by
24 Mr. Paparian, seconded by Ms. Peace. Please substitute
25 the previous roll call without objection.

1 At this time, Item 14, which is Consideration of
2 the Tire Care Education Project and Participation in
3 National Tire Safety Week has been -- we've had a request
4 by the Executive Director to pull this item.

5 And any comment, Mr. Leary?

6 I mean --

7 EXECUTIVE DIRECTOR LEARY: No, Madam Chair. We
8 came to realize it wasn't fully cooked. We'd like to
9 bring it back.

10 CHAIRPERSON MOULTON-PATTERSON: Great. So we're
11 going to be hearing Items Number 17 and 18 at this point.

12 Mr. Lee, Special Waste.

13 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.
14 I'll just provide a brief introduction to this item. Item
15 17 is presentation of draft report entitled "Best
16 Management Practice for E-waste Collection," Fiscal Year
17 2001-2002, contract number IWM-C-182.

18 It's going to be an oral presentation. Staff
19 member Matt McCarron will make the presentation and also
20 introduce the contractor.

21 Matt.

22 MR. McCARRON: Good morning, Madam Chair and
23 Board members.

24 CHAIRPERSON MOULTON-PATTERSON: Good morning.

25 MR. McCARRON: This contract has followed on

1 after several other efforts the Board had done when we
2 discovered more of the magnitude of the e-waste problem
3 with our baseline study. We know we needed to try to get
4 some more organization into best management practices for
5 local government and other jurisdictions to help collect
6 the material.

7 As we started this process, we found two
8 legislative seasons had come through this, and we tried to
9 marry the efforts of the best management practices into
10 the directions of SB 20 and SB 1523. There is a couple of
11 things that we emphasized within the best management
12 practices that try to echo the concerns of exporting
13 materials outside the country and try to build that due
14 diligence into the contract.

15 So with that, and in interest of time, I'm going
16 to bring up our contractor, Sharon Dow of Santa Clara
17 County, who put together this contract for us and did all
18 the leg work. We do have an outreach plan for this.
19 Starting next week at the Household Hazardous Waste
20 Conference, one of our many target audiences for
21 collecting a lot of the e-waste.

22 One thing I want to mention is that one thing SB
23 20 does is it brings computer monitors and video displays
24 devices to a program where they can get payment for. What
25 comes with these monitors is a lot of other e-waste that

1 local governments will be collecting and diverting for
2 recycling. So with that in mind, we're going to see a lot
3 more material coming through the local government.

4 With that, I'll bring up Sharon Dow, who's with
5 Santa Clara County Department of Environmental Health, who
6 has been working in this field for over 14 years. And
7 it's kind of an appropriate venue in the City of San Jose
8 where she comes from, and it's the heart of a lot of
9 electronic equipment that has been developed is now going
10 to be managed here.

11 CHAIRPERSON MOULTON-PATTERSON: Thank you.

12 Ms. Dow.

13 (Thereupon an overhead presentation was
14 presented as follows.)

15 MS. DOW: Thank you for having me.

16 --o0o--

17 MS. DOW: Today I'm going to be talking some
18 about the project background, special e-waste challenges,
19 universal waste liabilities, recycler selection, and
20 elements of program planning and operation that were
21 included in best management programs.

22 --o0o--

23 MS. DOW: In May of 2002, the California
24 Integrated Waste Management Board surveyed local
25 governments to find out what assistance needs they had for

1 CRT recycling programs. They talked to CUPAs, LEAs,
2 recyclers, landfills, solid waste operators, and solid
3 waste haulers. The survey asked participants about a
4 number of issues and concerns including regulations,
5 illegal dumping, collection, storage, transportation,
6 education, and markets, environmental safeguards, and
7 finance.

8 --o0o--

9 MS. DOW: Of these, the top issues were finance,
10 environmentally-sound management, and the need for
11 guidance documents. Everybody agreed that CRT recycling
12 costs could not be absorbed into household hazardous waste
13 or solid waste budgets. Of the many respondents that
14 charge for CRT recycling, most of them were not covering
15 their full costs for the program and believe that there
16 was a relationship to illegal disposal, which is
17 especially a problem in the rural areas.

18 Local government is very concerned about
19 environmental compliance of their recyclers and their down
20 stream processes. It's difficult to track recycling,
21 because the materials often leave the state or the
22 country.

23 --o0o--

24 MS. DOW: E-waste presents a number of
25 significant challenges. It's a very high volume material

1 that's both heavy and bulky. It's a very diverse material
2 mix. Our facilities were never designed to take in the
3 kind of volume we're anticipating getting. Finally, the
4 amount of materials that need to be specially managed is
5 continuing to grow.

6 --o0o--

7 MS. DOW: Universal waste regulations were
8 designed to increase recycling rates by reducing
9 regulatory requirements for collection and for
10 transportation. This makes good sense, because intact
11 electronics waste poses minimal health and safety risks.
12 The regulations -- the e-waste regulations have been
13 streamlined to --

14 --o0o--

15 MS. DOW: -- allow notification instead of
16 permit, no EPA ID number, a longer accumulation and
17 storage time, use of a common carrier instead of a
18 hazard's waste hauler, simplified container and recycler
19 labeling, and use of a bill of lading rather than
20 hazardous waste manifest.

21 --o0o--

22 MS. DOW: If universal waste is not properly
23 recycled, it is legally considered hazardous waste and is
24 subject to full regulatory requirements. When government
25 agencies accept universal waste from their residents, they

1 take on hazardous waste generator status and
2 responsibility. Therefore, government can be held
3 responsible if the recycling vendor does not properly
4 manage the e-waste.

5 A bill of sale or a transfer of title does not
6 sever cradle to grave responsibility. And a certificate
7 of recycling is only as good as the information it has on
8 it about how and when your waste was recycled. And it
9 isn't a regulated document. Long-term liability for
10 e-waste management needs to be a primary public agency
11 concern.

12 --o0o--

13 MS. DOW: The e-waste leaving a collection site
14 goes through a number of hands before reaching its final
15 end markets. It is the responsibility of the generator to
16 understand who will be handling the e-waste and what
17 processing will be used from the time it leaves the
18 collection site until it reaches the end market. The
19 recycling contract is the mechanism for ensuring that the
20 reporting to the final destination is done and that the
21 contractor knows the fate of the electronic waste.

22 The types of e-waste management activities are
23 described in the e-waste best management practices. The
24 broker is the buyer or seller of equipment and may not
25 actually take physical possession of the materials. In

1 the waste management hierarchy, reuse is the highest
2 level.

3 However, what e-waste collection programs have
4 found is that there is very little reusable material
5 that's collected. And this is because residents tend to
6 hang on to their material for a couple of years before
7 they think of recycling.

8 So even if it's not feasible economically to
9 refurbish a computer, there are valuable components that
10 can be taken out and these include memory, disc drives,
11 circuit boards, and micro-processor chips. After the
12 reusable parts have been taken out, there's a large volume
13 and quantity of other materials to be managed. The
14 equipment must be segregated by material type in order to
15 gain any further value. So for material recovery,
16 hazardous components such as batteries are removed, and
17 the material is shredded or ground and further segregated
18 by magnets, eddy currents, wind sifting, or other
19 techniques. These processes yield iron, aluminum, copper,
20 glass, plastic, ceramics, and composite material metal
21 granules. Recycling has still not occurred until the end
22 market consumer is identified and the product can go back
23 into the manufacturer of the new equipment.

24 --o0o--

25 MS. DOW: Selection of an e-waste recycler is

1 critical. With hazardous waste, low bid is not always the
2 best bid. The guidelines have a section outlining the
3 request for proposal process. The BMPs recommend asking
4 about regulatory compliance, insurance and
5 indemnification, evidence of closure plans and financial
6 assurance, and recent certified financial audits. This
7 information should be supplied for the contractor and all
8 the subcontractors who will be involved with dismantling,
9 selling, reusing, and recycling materials.

10 It's also important to specify the required
11 mechanisms for downstream tracking. And in the
12 contracting process, local government has a good
13 opportunity to promote sound environmental management
14 systems.

15 Environmental management systems are voluntary
16 programs where recyclers are evaluated by independent
17 third-party auditors. An EMS program could certify
18 e-waste recyclers and would augment regulatory compliance
19 inspections. An independent audit structure to a
20 consensus standard would ensure a level playing field
21 among recycling vendors and would provide local government
22 with a level of insurance of proper downstream management.
23 Within an effective third-party certification process,
24 auditors would look at regulatory compliance,
25 environmental impacts --

1 --o0o--

2 MS. DOW: -- downstream material tracking and
3 business practices.

4 --o0o--

5 MS. DOW: Local government will definitely play a
6 role in diversion of hazardous electronics from landfills.
7 It is likely that e-waste collection will be delegated to
8 household hazardous waste programs, landfills, transfer
9 stations, recycling centers, or solid waste haulers.

10 --o0o--

11 MS. DOW: E-waste collection programs are the
12 ones primarily that are currently being used to collect
13 other kinds of special waste. The BMP documents look at
14 the pros and cons of each kind of collection model. The
15 best model for a particular community will depend on their
16 existing infrastructure, their level of expertise in solid
17 and hazardous waste management and the level of service
18 the community is currently receiving for other kinds of
19 special wastes.

20 --o0o--

21 MS. DOW: The BNP guidelines go through each step
22 that must be considered when planning e-waste collection.
23 Some of these are site selection and layout, staffing and
24 training, collection equipment needs, estimation of
25 participation, and cost controls.

1 --o0o--

2 MS. DOW: A section of the document focuses on
3 public education and what to include in the outreach
4 message. The guide also discusses the relationships
5 between convenience of collection, participation rates,
6 and the level of outreach needed.

7 --o0o--

8 MS. DOW: The report also talks about data
9 collection and reporting. The California reporting
10 requirements are outlined, and a recommendation is made
11 that report development could be a contract requirement.

12 --o0o--

13 MS. DOW: Other uses of the collected data
14 include contract management, stakeholder reports, program
15 evaluation, and comparison to other programs. Reporting
16 event results back to the public is an excellent
17 educational opportunity that provides positive feedback to
18 the participants. They need to know that the results of
19 their actions are making a significant difference.

20 --o0o--

21 MS. DOW: Some of the operational considerations
22 discussed are general site procedures, personal protective
23 equipment, on-site segregation and storage, packaging and
24 transportation, and recycling certificates and tracking
25 documentation.

1 --o0o--

2 MS. DOW: While I was putting this document
3 together, I realized that local government has a grave
4 responsibility in managing the e-waste generated by its
5 residents. And tracking the documentation is really about
6 the only way government has to assure that its wastes are
7 being properly managed. Selecting a recycling contractor
8 and setting specifications is, in my opinion, the most
9 critical part of e-waste management. This process could
10 be made easier if a mechanism were developed for local
11 governments to share environmental compliance results.
12 And a third-party environmental management certification
13 process could provide this kind of mechanism.

14 --o0o--

15 MS. DOW: Thank you.

16 CHAIRPERSON MOULTON-PATTERSON: That concludes
17 your report, Ms. Dow? Thank you very much.

18 Any questions from the staff?

19 Mr. Paparian.

20 BOARD MEMBER PAPARIAN: I just want to complement
21 Ms. Dow. I think this is an outstanding effort. I know
22 it's been hard to pull this report together, and I think
23 it's a really great compilation of the issues involved.
24 And I think it will be very, very helpful for local
25 governments throughout the state. So thank you very much.

1 CHAIRPERSON MOULTON-PATTERSON: Thank you. It
2 was very informative.

3 Okay. That takes us to item 18.

4 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

5 Item 18 is the Status Report on the
6 Implementation of SB 20, the Electronic Waste Recycling
7 Act of 2003. This continues the series of meetings that I
8 guess were initiated last month to kind of brief the Board
9 on activities in the SB 20 program. Shirley Willd-Wagner
10 and staff will make the presentation.

11 (Thereupon an overhead presentation was
12 presented as follows.)

13 MS. WILLD-WAGNER: Good, I guess, afternoon now,
14 Madam Chair and Board members. And thanks to Sharon for
15 providing some context for this item. As you know, it's
16 been nearly six months since SB 20, the Electronic Waste
17 Recycling Act, was passed into law, and lots of things
18 have been happening. We've been really proceeding --
19 staff at the Waste Board had been proceeding on three
20 different fronts. One is the fee collection and
21 negotiating for the fee collection of the fee -- the
22 advanced recycling fee from the retailers throughout the
23 state.

24 Second is the public awareness and outreach. And
25 one of the focuses will be on the retailers or actually

1 the face of the program collecting that fee from the
2 consumers. And you will see some scopes of work for both
3 of those two efforts in a later item on today's agenda.

4 The third front -- and obviously these are very
5 interdependent, is the regulatory development, and that's
6 what the E-team has really been working on the last few
7 months.

8 --oOo--

9 MS. WILLD-WAGNER: We're getting pretty close to
10 a package that we'll bring to you next month summarizing
11 the regulations to implement SB 20.

12 Today we want to show you what those regulations
13 will look like and highlight some areas of remaining
14 concern for your input involvement. Particularly, we're
15 looking at the payment issue of payments to recyclers and
16 collectors throughout the state, the out-of-state
17 recycling issue and possible payment to out-of-state
18 recyclers, and then the issue on the manufacturer
19 reporting area of aggregate reporting versus individual
20 reporting. These some of the areas we'll highlight
21 through today's presentation and perhaps get some input
22 from you.

23 Stakeholders have been a very integral of our
24 whole development of the regulatory package. And the
25 package we bring forward next month will probably not have

1 100 percent consensus. But I do believe we've had an
2 opportunity to really work with the stakeholders and
3 solicit their input.

4 --o0o--

5 MS. WILLD-WAGNER: Our thinking has changed
6 significantly as a result of the input from the
7 stakeholders. This is just a real brief summary of what
8 we've been up to for the last few months. You've seen
9 these items before. We had four stakeholder workshops to
10 date. We have another one April 2nd. The list serve
11 distribution list, the e-mail distribution list, and the
12 website coordination have been other avenues for
13 soliciting input from stakeholders. We actually have a
14 part on the website where we post input that we've had and
15 comments on the various issues we're discussing, so
16 everybody can see how the benefit of looking at other
17 stakeholder input is necessary also. I think that's been
18 really important and helpful to encourage you to look at
19 that electronic web site under stakeholder workshop, and
20 you'll see what some of the input has been.

21 --o0o--

22 MS. WILLD-WAGNER: I'd like to give you a little
23 bit of update on what's happened since we last spoke last
24 month since the February item. As promised, the
25 Department of Toxics Substances issued a press release

1 March 1st discussing possible new covered
2 products. Their Hazardous Materials Laboratory did
3 testing on the liquid crystal display, or LCD monitors,
4 and the laptop computers. Both of these were found to
5 exceed California's hazardous waste threshold, which for
6 us means they will be charged the fee of the retail sale.
7 More devices will be covered under our Electronic Waste
8 Program we're designing.

9 Senate Bill 50 by Senator Sher has been
10 introduced. I think you're all aware this is some cleanup
11 legislation that may address some of the issues of concern
12 in SB 20. I know he's working closely with stakeholders,
13 and we continue the discussion with stakeholders on SB 50.
14 And of course, our Legislative Affairs Office is involved
15 with that one. And there has been no definitive solution
16 to the fee collection issue, but we're working hard to
17 straighten that one out.

18 --o0o--

19 MS. WILLD-WAGNER: These next three slides are an
20 exact duplicate from the February item. Since the Board
21 members here are the same, I'll just very briefly note
22 March 23rd, we will post our draft emergency regulations.
23 April 2nd, as I said, is another stakeholder workshop.
24 And next month we'll bring to you the emergency
25 regulations for your consideration.

1 As we go through some of the items today, we all
2 want to remember that the emergency regulations are
3 something to help us get the program started, and we fully
4 expected that adjustments will be made over the next
5 couple of years as we learn a little bit more about what
6 the actual collection rate is for the electronic waste
7 items and other things that might affect us and how SB 50
8 also fits in. So over the next few years, we expect to
9 promulgate full regulations and probably have some
10 adjustments in the emergency regs.

11 --o0o--

12 MS. WILLD-WAGNER: Key elements, I still have
13 this slide on the key elements. I don't think we need to
14 go through this. It's basically a collection of a fee and
15 Board payments to collectors and recyclers. We'll go
16 through some of the details. Unless you have any
17 questions, I'll flip through here.

18 --o0o--

19 MS. WILLD-WAGNER: These are the milestone dates.
20 April 1st is right around the corner, where manufacturers
21 need to notify the retailers of the products that are
22 covered under the bill. And July 1st is pretty darn close
23 around the corner also, when we have to establish -- the
24 Board has to establish a payment schedule. We'll do that
25 through the regulation process. The one I like to keep in

1 mind that guides me as we get too bogged down in the
2 day-the-day work is the December 31st, 2007, target date
3 to eliminate those stockpiles in the garages and
4 throughout the state.

5 --o0o--

6 MS. WILLD-WAGNER: So with that context, I'll
7 introduce Jeff Hunts to talk about some of the specifics
8 on the overview of the payment system model.

9 BOARD MEMBER WASHINGTON: Just before you do
10 that, the emergency regs, seems to me that you put a lot
11 of effort to get these emergency regs done. What's the
12 problem with going the regular regs versus emergency regs?

13 MS. WILLD-WAGNER: We have been putting a lot of
14 effort -- you're right, Member Washington -- into getting
15 the stakeholder involvement. This bill effects so many
16 stakeholders in so many ways. We really wanted to try to
17 take their input. So we put a lot of effort in the
18 emergency reg process.

19 I think the reason that we haven't moved forward
20 with the full reg process is primarily because of
21 uncertainty, as I mentioned a few things we may do under
22 Senate Bill 50, if that gets approved, and perhaps the
23 payment rates so we can actually collect the data we need
24 to adjust the payment schedules in the future.

25 BOARD MEMBER WASHINGTON: Got it. Thank you.

1 CHAIRPERSON MOULTON-PATTERSON: Thank you.

2 Mr. Hunts.

3 (Thereupon an overhead presentation was
4 presented as follows.)

5 MR. HUNTS: Good afternoon Madam Chair, Board
6 members. My name is Jeff Hunts. I'm usually working in a
7 Waste Prevention and Market Development Division, but of
8 late it seems it's been e-waste all the time. I'd like to
9 acknowledge my colleague -- outstanding colleague, John
10 Sitts, who's not here today, who's back in Sacramento
11 putting the final touches on the payment system
12 regulations. And that's what I'm here today to give an
13 overview of.

14 --o0o--

15 MR. HUNTS: As you know, SB 20 provides for
16 payments from the State of California into the collection
17 and recycling system for electronics for certain
18 electronic waste, specifically CRTs and other video
19 displays. This recovery and recycling payment system
20 should foster efficient, affordable, and accessible
21 recycling opportunities. As of March 1st, what DTSC is
22 finding is the LCD monitors and laptops exhibit the
23 characteristics of hazardous waste. We know this system
24 must accommodate products beyond CRTs. As we reported
25 last month in our update, the model that staff is

1 proposing would be one where recyclers -- the Board would
2 make payment to recyclers to and through recyclers, and
3 those authorized recyclers would pay authorized collectors
4 at least a statewide recovery rate on all the covered
5 electronic wastes that are delivered.

6 --o0o--

7 MR. HUNTS: The Waste Board, in turn, would pay
8 approved recyclers a combined recovery and recycling
9 payment for only those covered electronic wastes that are
10 actually recycled or cancelled. We'll talk about
11 canceling in a moment. Recyclers would not be paid for
12 those covered electronic wastes that are ultimately
13 refurbished or reused or exported intact. And aside from
14 the requirement to pay collectors at a minimum rate,
15 collection rate, recovery rate, there would really be no
16 other significant financial restrictions between
17 collectors and recyclers, so they can strike their own
18 business deals.

19 --o0o--

20 MR. HUNTS: The recovery payment rates --
21 recovery and recycling payment rates, these rates have
22 kind of taken on a life of their own. We'll continue to
23 use the 20 and 28 cents here. These rates were initially
24 put out for discussion. Staff developed these numbers
25 based on cost models and surveys that have been conducted

1 over the last two years. We think they're pretty good
2 numbers. On the recovery payment side of approximately 20
3 cents a pound, that represents a combination of 15 cents
4 for the collection costs and 5 cents per pound for
5 transportation. And we're proposing possibly an
6 alternative payment per device alternative that could be
7 paid from recyclers to collectors if there is mutual
8 agreement.

9 The recycling payments at approximately 28 cents
10 per pound, that represents the cost of processing covered
11 electronic waste through the shredding, crushing, or
12 dismantling to bare components. And this 28 cents per
13 pound payment may be calculated using a conversion factor,
14 since once the materials have been canceled, the various
15 components have gone their own separate ways. Staff is
16 developing a model which would perhaps take the weight of
17 bare CRTs and apply a conversion factor to get back to
18 what the average per device weight would be.

19 And as I said, these rates which were initially
20 intended for discussion purposes were based on cost models
21 drawing from NEPSI, the National Electronic Product
22 Stewardship Initiative, as well as statewide surveys that
23 have been conducted by staff.

24 Want to note there has been some concern these
25 rates might be high, depending on where you sit. Some

1 people think these rates are low. Staff continues to look
2 at that, and we'll have a firm recommendation when we come
3 back to you next month.

4 --o0o--

5 MR. HUNTS: Cancellation of products, payment
6 will be tied to cancellation. The concept of cancellation
7 is to take items out of the system so they cannot simply
8 cycle back through the system and receive multiple
9 payments. It's a way of preventing fraud. For CRT
10 devices, staff are proposing cancellation that consists of
11 deconstruction down to a bare tube with a vacuum relieved
12 from that tube or the shredding, crushing, or grinding of
13 that tube.

14 For LCD devices, staff is proposing disassembly
15 down to the bare panel with the lamps and supporting
16 circuitry removed or the shredding, crushing, or grinding
17 of those devices. And the importance of the cancellation
18 is to prevent fraud, prevent devices from recycling back
19 through the system. It will provide for accurate
20 accounting, and it encourages what I'll term
21 commoditization of these devices. Where the State is
22 making payments, we want to make sure that that device has
23 been deconstructed into its component parts and increasing
24 the value of those component parts as much as possible.

25 --o0o--

1 MR. HUNTS: I mentioned no payment for reuse.
2 The intent of SB 20 is to help subsidize the cost of
3 recovery and recycling of electronic wastes. There's an
4 existing reuse market for viable used equipment.
5 Collectors -- the local governments are very concerned
6 about making sure they get paid for everything they
7 collect, regardless of the fate of that equipment, the
8 model staff is proposing would have collectors pay for all
9 the materials that are collected, regardless of the fate
10 with recyclers being paid only for what is recycled.
11 Recyclers will have the flexibility to choose what is most
12 economically viable for them, whether the material can be
13 refurbished and has value there or to be cancelled.

14 Some concern has been expressed that SB 20 could
15 disincentivize reuse. Staff is confident that the growth
16 in the collection infrastructure should help foster reuse
17 opportunities.

18 --o0o--

19 MR. HUNTS: A couple emerging concerns that staff
20 has been confronting lately is the one of out of state
21 payments. Shirley mentioned this. At last month's
22 meeting, we proposed as part of the payment plan that we
23 would be limiting our recycling payments to activities
24 that occur in California. Where we received some legal
25 advice that this may run afoul of interstate commerce was

1 if we are forced to expand the program outside of
2 California, that obviously presents some challenges, not
3 the least of which are inspections and accountability.
4 We'll be looking at that closely.

5 There's also rumors of stockpiling the materials.
6 Some recyclers are reporting a slow down in material flow.
7 This raises the question, are prospective collectors or
8 recyclers holding onto materials out there that have
9 already been generated and are just waiting for payments
10 to begin? When staff brings the regulation before the
11 Board, we'll probably be proposing that payments be made
12 only for those materials that are generated and collected
13 after the start date of the program so that anybody out
14 there sitting on materials should not be expecting
15 payment.

16 --o0o--

17 MR. HUNTS: So you saw these charts last time.
18 So unless you need more clarity on the proposed payment
19 system, I'll skip right --

20 --o0o--

21 MR. HUNTS: -- through these and get on to Matt
22 McCarron, who will be covering manufacturer reporting.

23 CHAIRPERSON MOULTON-PATTERSON: Thank you very
24 much.

25 (Thereupon an overhead presentation was

1 presented as follows.)

2 MR. McCARRON: Good morning, again, or afternoon.

3 We're working on the regulation for manufacturer
4 reporting. The bill requires specific reporting
5 information from the manufacturers, so we can assess how
6 much is being sold in California, what the materials are
7 contained in there.

8 The regulation package, we've worked on. We've
9 had extra discussions outside of workshops with some of
10 the key stakeholders to find out if they're going to go
11 along with our concept that we're proposing now. One of
12 the things we're looking at and are very concerned about
13 is trying to figure out if we can do some type of
14 aggregate reporting for part of the manufacturer reporting
15 requirements. This has to do with the proprietary nature
16 of the information they want to submit to us.
17 Manufacturers are concerned for business reasons that the
18 information they may submit to us, if it becomes public
19 knowledge, could cause some competition issues amongst the
20 businesses and trade secret issues. We would like to get
21 some meaningful data that would be helpful for the public
22 to understand what's in their products and how things are
23 being handled.

24 One of the approaches we're looking at is
25 aggregate reporting for the first two parts of the

1 manufacturer reporting sections on sales data and the
2 contaminants that are listed be reported on lead, mercury,
3 Cadmium, hexavalent chromium, PBDEs, and PBBs, which are
4 flame retardants. We think we can get enough useful
5 information that would make sense to the public once we
6 have this. With aggregate reporting, we can take
7 information we receive and post it a lot quicker, turn it
8 around, and make it available to the public. With other
9 information coming in from hundreds of different reports,
10 it's going to take us a lot longer to collate that and try
11 to work it into the structure of staffing that we will
12 have available to us.

13 The other part of it, we will have individual
14 parting on the bid for manufacturer's efforts to use
15 recycled content back in their materials and their design
16 for recycling efforts. So we can have some kind of
17 information about what they're doing to make things a
18 little better for the future.

19 --o0o--

20 MR. McCARRON: Another piece of this effort has
21 to do with consumer information. There is a labeling
22 requirement, pretty straightforward in the bill. We think
23 there's another consumer labeling requirement out there
24 that we're trying to hang our hat on so we won't have to
25 do another set of labeling requirements. The bill is

1 pretty clear about what it wants on there, the brand name
2 and the manufacturer on a product. In some discussions we
3 had with some of the manufacturers, most of the
4 manufacturers put their names on the products. There are
5 some really custom materials out there that you don't see
6 their name on. Although, we've had some of the major
7 manufacturers tell us there's quite a bit of people out
8 there -- there's a term of art called "white box
9 manufacturing" where materials are made without brand
10 names for low prices and shipped in from all over the
11 world. So we think the existing labeling requirement in
12 the bill is pretty sufficient.

13 Manufacturers are also supposed to provide
14 consumer information on how to properly manage, dispose,
15 and where the materials can be taken to at the local
16 level. This could be required by the manufacturers either
17 with the products or in several sets of toll-free hotlines
18 or website information available.

19 In the draft regulations for this --

20 CHAIRPERSON MOULTON-PATTERSON: Ms. Peace has a
21 question.

22 BOARD MEMBER PEACE: You said it's the
23 manufacturers' responsibility to provide consumer
24 information. They're going to have a hotline, you said?

25 MR. McCARRON: That's one of the options

1 available to them. They can have a toll-free hotline, a
2 website. They can provide information right in the
3 brochure or the materials with the product itself.

4 BOARD MEMBER PEACE: They'll have a website, and
5 they'll be responsible for keeping it up to date as things
6 change?

7 MR. McCARRON: Yes. And we're in discussions
8 with our Public Affairs Office about other outreach
9 efforts to try to consolidate that to a single point of
10 contact. That's one of the things the manufacturers asked
11 for is a central point that we'll have to get some buy-in
12 from everybody about how we maintain that information.
13 That's always the key with the website is who maintains
14 it? How we keep it up to date? If we're dealing with 478
15 cities, I think, in California and 58 counties, everybody
16 has a different plan and different way to do things. How
17 do you manage that information on a website? We've tried
18 it with earth 911 and that's kind of self regulated, and
19 it works fairly well, but it still takes a lot more
20 maintenance at the local level. We'll have to see how
21 that works. With our Public Affairs Office, we're working
22 on a proposal to figure out how to get that done a little
23 better, either through us or somehow. Maybe it's a
24 linking system from our website or something.

25 BOARD MEMBER PEACE: Me, as a consumer, if I went

1 and bought a computer, I wouldn't want to have to go up to
2 a website to find out what I have to do with it at the
3 end. Maybe that's the only way to do it, but I would
4 almost like to see it on my sales receipt or something
5 somewhere -- on my invoice sales receipt that says in a
6 couple years when this computer is outdated, this is where
7 you can take it.

8 MR. McCARRON: Well, I think that would be fine
9 in a lot of cases. I think if you're going to turn over a
10 product as you buy a new one, that might be really helpful
11 at that time. But there's some people that, say they buy
12 a new computer, they hang onto the old one when they still
13 buy the new one. They still have to download all the old
14 information off the old hard drive and transfer it to the
15 new computer. If they bought a whole new system that
16 involves, say, a monitoring that we're concerned about
17 this morning with SB 20.

18 So there's going to be a gap in time. Whether
19 these people hang onto their sales receipts, they hang
20 onto the paperwork that comes in. There's probably going
21 to have to be redundancies within the system to make it
22 work. In the previous item, we talked about the best
23 management practices. And part of that has to do with
24 local governments providing access for information too and
25 their outreach efforts. We're trying to make this work

1 with the manufacturers in the local governments and the
2 Board and to the Department of Toxics and tie them all
3 together. We're all talking to each other. We're trying
4 to come up with a good plan so there's consistent
5 information available on how to dispose of it properly or
6 potentially reuse it.

7 BOARD MEMBER PEACE: Can we go back to the last
8 slide, the aggregate reporting?

9 --o0o--

10 MR. McCARRON: Yes.

11 BOARD MEMBER PEACE: It says each manufacturer is
12 required to give an annual report on sales data based on
13 the certain hazardous constituents, recycled materials,
14 and recycling design efforts. What part of that -- not
15 all of that are you considering to be -- including in the
16 aggregate reporting; right?

17 MR. McCARRON: We're mostly concerned about the
18 first two categories.

19 BOARD MEMBER PEACE: The sales data?

20 MR. McCARRON: The sales data. These are the
21 things the manufacturer has expressed a lot of interest in
22 in protecting the confidentiality of the business
23 information. We're concerned if we receive a report
24 that's all blacked out or marked trade secret that we
25 can't turn around and provide information to the public.

1 So we thought an aggregate submission through a trade
2 association or some group may give us enough information.
3 It might not. But we're still exploring that right now.

4 BOARD MEMBER PEACE: Yeah. I can understand
5 that. I sure wouldn't be in favor of having an aggregate
6 report on hazardous constituents and constitutes and
7 recycled materials and that sort of thing. That almost
8 has to be done by the manufacturer.

9 MR. McCARRON: Within that category, we're --
10 this Number 2 can be an option as far as how we collect
11 aggregate data. Maybe we just take it on sales data and
12 not just the second section on the contaminant levels.
13 There's some problems in what's in a computer, how do they
14 identify the lead, mercury, cadmium, but within all the
15 various thousands of the components in the CRT. Sometimes
16 manufacturers provide specifications to a subcontractor to
17 manufacture a part. And they say, no more than such and
18 such amount of lead. So we have a range of materials that
19 they receive, and they had various subcontractors applying
20 the same part in some cases. So whether it's a plastic
21 encasing, and things like that, so you get a range of
22 materials. If they even test one unit and you could test
23 another one of the same model, it may have different
24 amounts within it, if you measured down to the molecule.
25 So we may be asking for a range of those or a tolerance

1 level and then add them in summation for what contaminants
2 are in there for the reporting purposes.

3 BOARD MEMBER PEACE: If we did any sort of
4 aggregate reporting on the amounts of lead and mercury, if
5 manufacturers started to use less of that stuff like we're
6 encouraging them to do, how would we know who's doing a
7 better job?

8 MR. McCARRON: Well, that's the trick we're
9 trying to figure out how we can make work. Whether we
10 discover that within some of the reports in three and four
11 about their designs for recycling needs, it's hard for us
12 to know at this point. So that information is very useful
13 for us.

14 MS. WILLD-WAGNER: There's also the fact that
15 electronic manufacturers are going to have to meet
16 European Union Restriction of Hazardous Substance
17 Directive that calls for a phase-out of many of these
18 materials by 2006, I believe. So that will help. Once we
19 reach that point, a lot of the --

20 BOARD MEMBER PEACE: A lot of the reporting will
21 be easier once you reach that point.

22 MS. WILLD-WAGNER: Yes, because a lot of
23 materials won't be allowed to be sold in Europe anyway.
24 And under SB 20, it's the same directive. The
25 manufacturers have to meet the Restriction of Hazardous

1 Substances Directive.

2 BOARD MEMBER PEACE: Okay. Thank you.

3 MR. McCARRON: It may be short term that we can
4 do that, but that gives us some kind of a feeling. It's a
5 good suggestion. Any other concerns about this section?

6 Back to the consumer information.

7 --o0o--

8 MR. McCARRON: We're going to ask for the
9 manufacturers to publish these consumer information issues
10 in several sets of languages so we cover a wide variety of
11 users within the State of California. I think we're
12 asking for five languages at this point, the top five
13 languages in California.

14 We also would like the manufacturers to send us
15 the information that they publish so we can have it. It's
16 not required -- specifically mentioned in the bill, but I
17 think, within the context of what they're supposed to do.
18 If they can give that to us, we can certainly try to help
19 aggregate that data into whatever centralized data
20 reporting system we'll have as well.

21 And I did mention that we were working with
22 Public Affairs on an outreach effort for the retailers and
23 manufacturers as well in trying to get some kind of a
24 media campaign and awareness together for that.

25 And with that, I'll bring it back to Shirley.

1 CHAIRPERSON MOULTON-PATTERSON: Thank you.

2 MS. WILLD-WAGNER: Basically, that concludes our
3 presentation. Watch for the draft regulations March 23rd.
4 We will listen to the stakeholders again on April 2nd and
5 bring you their input as well as our recommendations for
6 the regulations in April. Obviously, the team is at your
7 service here to answer any questions and are during the
8 months and weeks ahead, too.

9 Any questions?

10 CHAIRPERSON MOULTON-PATTERSON: Before I call on
11 Mr. Paparian, we do have a couple of speakers on this
12 item.

13 Mr. Paparian.

14 BOARD MEMBER PAPARIAN: Just quickly, I probably
15 should mention there is some discussion in the Legislature
16 about this. There are some issues involving the Board of
17 Equalization collection of the fee. Because of those
18 issues, there is some possibility of a slippage of the
19 start up date of collection of the fee from July 1st to
20 October 1st. That would take a Legislative change. The
21 Legislature is talking about this. There has been no
22 decision yet. There's nothing in print in the
23 Legislature. But I think just for everybody to understand
24 what's going on, there is that possibility of a slippage
25 of the start date from July 1st to October 1st.

1 CHAIRPERSON MOULTON-PATTERSON: Thank you,
2 Mr. Paparian.

3 Evan Edgar followed by Ted Smith.

4 MR. EDGAR: Madam Chair --

5 CHAIRPERSON MOULTON-PATTERSON: Good afternoon.

6 MR. EDGAR: Good afternoon. My name is Evan
7 Edgar from the California Refuse Remove Council. We're
8 supportive of SB 20. Right now I represent over 100 CRD
9 handlers within CRRC and over 100,000 authorized
10 collectors in the SB 20 program.

11 We realize the universe of universal waste is
12 growing. With the best management practices and the
13 universal waste rules in play, it allows us, the solid
14 waste industry, to be major players within the SB 20
15 system. It's a big system. The budget is right now \$52
16 million with six people working on it. I have to commend
17 staff for the stakeholders meeting to get the good public
18 policy input, which we can set a foundation for years to
19 come. Next year the budget could grow three to four
20 times. The budget could surpass the bottle bill in three
21 to four years. This is a major program. To have a
22 foundation and a framework in place now that is workable,
23 is efficient, is key.

24 I've got to recognize that staff is doing that.
25 And from the solid waste industry point of view and CRT

1 handlers, authorized recyclers, and universal waste
2 handlers, we're going to see a lot more stuff come into
3 the system, and this framework is workable and doable. So
4 we would support the emergency regs. We'll be at the
5 stakeholder meetings and look forward to implementation
6 sooner than later. Thank you.

7 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.
8 Edgar.

9 Ted Smith, Silicone Valley Toxics Coalition.

10 MR. SMITH: Good afternoon. First of all, let me
11 thank you for coming to San Jose for the meeting. This is
12 the first time I remember that ever happening. That's
13 really cool.

14 CHAIRPERSON MOULTON-PATTERSON: They say it's
15 been ten years.

16 MR. SMITH: I also want to compliment the staff
17 and the Board for maintaining the stakeholder process. I
18 also think it's been really a very good and effective
19 process and really important and necessary, because this
20 is an incredibly challenging bill to implement, as you're
21 hearing.

22 We're really concerned about three things. One
23 is we're concerned about the potential to actually
24 increase the amount of exported hazardous e-waste, because
25 of the fact there's going to be such an influx of material

1 coming into the system, because we think the economics of
2 the way this thing has been designed are not really going
3 to be sufficient, and it's going to create some negative
4 incentives that might increase the value of export.

5 We don't think that the fee structure, the way
6 it's set, is actually going to be sufficient to actually
7 handle all the material. We've just published a report
8 called "Poison PCs and Toxic TVs" where we've estimated on
9 a national basis that the actual cost of recycling full
10 units and systems is anywhere from 50 to \$60, not the 6 to
11 \$10 that's in the bill. We estimate that based on that,
12 that there could be as much as a \$7.5 billion shortfall
13 that could be stuck on the taxpayers over the next several
14 years nationally under this kind of an approach. That's
15 just a comment on the scope and scale of our concerns on
16 this.

17 Secondly, we're really concerned about the lack
18 of implementation resources. Six FTE to implement this
19 program with potentially 70,000 retailers seems, to me,
20 like a real stretch. I think the staff you have working
21 on it are terrific and are doing a really good job, and
22 the best they can. But it's just, to me, way less than
23 what you need. I don't know how many collectors and
24 recyclers there's going to be, but there's going to be a
25 lot. I think trying to manage that is going to be an

1 enormous challenge.

2 The whole question of the Board of Equalization
3 Mike just mentioned is a concern also. If we can't get
4 this figured out, I don't see how this thing is going to
5 work. It certainly isn't going to work with six FTEs.

6 And I think one of the staff mentioned earlier
7 the concern about fraud, and I think that's really what I
8 want to focus on. If this program blows up in our face,
9 we're all going to end up with a lot of egg. None of us
10 can afford to have that happen. So I think that the only
11 solution I can think of at this point, other than working
12 more on some of the cleanup legislation, is to make sure
13 that in the reporting -- in the consumer information in
14 the manufacturers' reporting, that we try to guarantee as
15 much public right to know as much as possible, so the
16 public can actually help your staff in trying to figure
17 out what's actually going on.

18 We've had tremendous success, as you know, with
19 the implementation of the toxic release inventory at the
20 national level, and also the public right to know laws in
21 California so more and more people can get involved in
22 actually assessing information that is publicly reported
23 to state government. This concept of reporting
24 information in the aggregate, to me, just flies in the
25 face of that. I don't think if you get aggregate

1 information you can really tell what the hell's going on.
2 You can't tell what the sales data are really going to be.
3 You can't tell whether the fees that you're collecting are
4 really an adequate reflection of the numbers and units
5 sold. The only way you can really tell that is if you
6 actually report those actual numbers.

7 The whole challenge that's being brought forward
8 by the industry I think is really a red herring. We're
9 not asking for their sales data at the times of sales.
10 We're asking for it later and then going back. That stuff
11 is actually pretty public information. There's two major
12 data reporting services; one called Gardner, one called
13 IDC, that report that information on a quarterly basis by
14 company name, by the kinds of sales they're talking about.
15 So as long as we are asking for that information after the
16 fact, I just think that these claims of proprietary
17 information are red herrings, as I say.

18 So I think that's really an important way of
19 trying to prevent fraud. I think that's an important way
20 to involve the public in helping your overworked and under
21 appreciated staff enforce this thing and monitor this
22 thing.

23 And I just want to close by saying I think it's
24 been shown time and time again that sunshine is really the
25 best disinfectant. If we can focus on those reporting

1 rules in the short term while we're trying to fix the
2 longer-term challenges, that may be a way of helping to do
3 it. We do a report card every year, looking at all the
4 computer industry around the county to see how they're
5 doing on their own reporting, on their own websites, to
6 see what kind of consumer information is available. We
7 evaluate all that.

8 There really is a wide variation on the kinds of
9 information that's being currently posted on the companies
10 websites. If you require they should submit you their
11 information to the Board electronically and you just
12 automatically post it on your website in one place with a
13 format that you prescribe and then people can have access
14 to that. It seems to me that simplifies the
15 administrative headaches you might otherwise have. It
16 also makes it available to public in a pretty easily
17 accessible way. Thanks.

18 CHAIRPERSON MOULTON-PATTERSON: Thank you very
19 much for being here, Mr. Smith. And we share your concern
20 about the Board of Equalization. We're working very hard
21 on that. We have assured Senator Sher that if we can't
22 work it out, we might have to contract out of something.
23 But this bill is going to go forward, and we want it to be
24 done right.

25 I don't know if Mr. Leary has anything to add to

1 that. Okay. Thank you.

2 That concludes the presentation. And again,
3 thanks to Mr. Paparian and his staff and the staff that's
4 working so hard on this. Shirley, we really appreciate
5 it.

6 We're going to do something a little bit
7 different today, because many people have a long drive
8 ahead of them tonight back to Sacramento. We're going to
9 take about a 20-minute lunch break. There is a cafeteria
10 downstairs. And then at 1:00, the Board and Mr. Leary
11 will meet back in this room for about five minutes for our
12 closed session. It's very short item. And then we'll
13 proceed with Items 15, 16, 19, 20, 21. Thank you.

14 (Thereupon a lunch recess was taken.)

15 CHAIRPERSON MOULTON-PATTERSON: We'd like to get
16 started. Mr. Washington, do you have any ex partes?

17 BOARD MEMBER WASHINGTON: I have none.

18 CHAIRPERSON MOULTON-PATTERSON: Mr. Paparian.

19 BOARD MEMBER PAPARIAN: Yes. I spoke briefly
20 with Terry Leveille on tire issues and Ted Smith on
21 electronic waste issues.

22 CHAIRPERSON MOULTON-PATTERSON: I had none.

23 Ms. Peace, ex partes.

24 BOARD MEMBER PEACE: I had none.

25 CHAIRPERSON MOULTON-PATTERSON: That brings us

1 back to our agenda, Budget and Admin, Number 15. I
2 believe Mr. Leary is going to be giving this,
3 Consideration of Allocation and Scopes of Work to be
4 Funded from the IWM Account, Fiscal Year 2003-2004.

5 EXECUTIVE DIRECTOR LEARY: Thank you, Madam
6 Chair. We're getting assembled here.

7 CHAIRPERSON MOULTON-PATTERSON: Sure. Take your
8 time.

9 EXECUTIVE DIRECTOR LEARY: I think we're ready to
10 go here. As I reported to the Board in my Executive
11 Director's Report last year, as we entered this fiscal
12 year, we were concerned about having sufficient resources
13 in the Integrated Waste Management Account, primarily in
14 anticipation of some personnel reductions that we were
15 likely to have faced or some concerns about the potential
16 personnel reductions. And as a result, we approached the
17 fiscal year, as Executive Staff, very conservatively. We
18 developed allocations for expenditures out of the
19 Integrated Waste Management Account in a very conservative
20 way. We reduced travel. We reduced all line items within
21 kind of the overhead or the general expenses of the
22 Integrated Waste Management Account.

23 As a result of that very conservative attitude
24 and approach to our management of the funds, we now come
25 towards looking at the end of the year. And based on

1 projections of expenditures through the end of the year,
2 we appreciate that we've realized a pretty significant
3 savings, a savings in approaching or maybe slightly
4 exceeding a million dollars in the Integrated Waste
5 Management Account.

6 We thought we could -- having heard the Board's
7 proceedings and the Board's direction over the last seven,
8 eight, nine months, understanding the high priority
9 efforts of the Board, I proposed to you, and now I'm
10 prepared to present to you an agenda item discussing the
11 five, we feel, the highest priority efforts within the
12 Board that can be supplemented by contracts through the
13 Integrated Waste Management Account to the tune of about
14 \$1.1 million. The five scopes of work before you include
15 organic facilities permitting and odor response project --

16 BOARD MEMBER PEACE: Can I just say something
17 real quick before you get started, Mark?

18 EXECUTIVE DIRECTOR LEARY: Sure.

19 BOARD MEMBER PEACE: I just want to stress for
20 all you out there that might not know this already, stress
21 this \$1.1 million we're talking about is all money that's
22 been generated from tipping fees. None of this is General
23 Fund money. None it's tax money. It is all generated
24 from tipping fees. What we're talking about is putting
25 that money back into the programs it was intended to be

1 for.

2 DEPUTY DIRECTOR LEE: Thank you, Cheryl.

3 The effort in the Organic Facilities Permitting
4 and Odor Response Project is one about furthering the
5 Board's effort on compost. We've come to appreciate the
6 regulatory efforts around compost facilities largely
7 involve odors, that more research in that area would be
8 beneficial to both our and the LEA's ability to regulate
9 those kind of facilities and further the advancement of
10 compost.

11 Contract Concept Number 2 has to do with the
12 adjustment methods I spoke about earlier in my report to
13 the Board on the statewide diversion rate. We're looking
14 to further enhance and revitalize our standard methodology
15 for adjustment methods to calculating our diversion rate.

16 The Contract Concept Number 3, another of our
17 Board's highest priorities, implementation of AB 1548.
18 We've come to appreciate as we started to launch this
19 program, we could use additional contractor resources to
20 meet the very strict statutory guidelines and deadlines of
21 1548. So we're proposing that for your consideration.

22 And the last two have to do with implementation
23 of SB 20, one in the very important public awareness
24 campaign that we think needs to be launched simultaneously
25 with the implementation of the e-waste collection effort

1 and the recycling effort. We need the citizens of
2 California to understand why they're paying 6 to \$10 more
3 for the electronic devices that they're purchasing.

4 And then Concept Number 5 is with the potential
5 for the Board implementing some part of the fee collection
6 effort. We're asking you to allow us to set aside a good
7 portion of money to launch those fee collection efforts in
8 the event that we cannot in a timely fashion.

9 So I've proposed a suite of contract concepts
10 that add up to \$1.1 million. My own best estimate is this
11 is a little bit of a stretch. I think we will realize a
12 savings of 1.1, but not likely very much more based on our
13 current projections. In fact, getting to 1.1 will require
14 our staff to remain fairly fiscally conservative in other
15 areas. But we think these five high priority projects are
16 things that have to move forward and have to move forward
17 aggressively now.

18 With that, you'll conclude my introduction. We
19 have the various principles for each of these contract
20 concepts assembled here before you. They can each
21 individually speak in more detail about their projects, or
22 we can simply respond to Board's questions at this point
23 and move forward.

24 CHAIRPERSON MOULTON-PATTERSON: I think we'll go
25 straight to questions on specific items. We have it all

1 here in front of us.

2 Ms. Peace, did you have a question?

3 BOARD MEMBER PEACE: I have a comment.

4 CHAIRPERSON MOULTON-PATTERSON: Comment, go
5 ahead.

6 BOARD MEMBER PEACE: I just want to say I am in
7 support of these proposed allocations, but I want to plant
8 a seed in everybody's mind for what I think we should be
9 spending our money on in the future.

10 Landfills, to me, should be like factories, not
11 repositories. The hauling infrastructure's there. The
12 local land use is already there. All we need to do is
13 change our view of how we use the space. I have been in
14 lots of meetings lately discussing various composting and
15 conversion technologies that are available. But before my
16 term is up, I want to see this Board support, promote, and
17 subsidize some kind of a pilot project to get more
18 processing of waste done at the landfills. Our philosophy
19 should be that there are no waste streams, only wasted
20 resources. And every truckload coming through the
21 landfill gate should be sorted for reuse, recycling,
22 composting, digesting, and converting to fuel and
23 electricity to the fullest extent before whatever is left
24 goes into that hole in the ground.

25 I have talked to several landfill operators, and

1 they're very open to the idea. But of course, this kind
2 of thing does take money. If a pilot project like this is
3 successful, it could create, I think, an exponential
4 progress of resource management in California.

5 So again, as we go through getting staff's ideas,
6 like Mr. Paparian talked about earlier, I want your ideas
7 in how to support landfills as factories. And I have some
8 ideas of my mine, but I want to hear from the staff as
9 well. And I want this kind of -- like I said, plant that
10 seed. When we have available money, that maybe we can
11 earmark it for a grander project like this.

12 CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms.
13 Peace.

14 Other questions?

15 Mr. Paparian.

16 BOARD MEMBER PAPARIAN: Just a comment also. I
17 want to -- on the compost odor response project, I want to
18 actually compliment the staff on that. I think at times
19 various government agencies have looked to explain away
20 public concerns, and suggested, you know, there's not a
21 health problem associated with it or other problem,
22 whether it be an odor, a noise, or another type of
23 nuisance. Rather than try to do that, rather than take
24 that type of public relations approach, what the staff is
25 proposing is to recognize that people have very legitimate

1 concerns about the quality of life in their neighborhoods
2 when they experience odors from facilities.

3 So what this item is attempting to do is figure
4 out a way to identify what those odors are, what their
5 sources are, and the ways that those odors could be
6 mitigated. And I think that would be beneficial, not just
7 for the compost industry, but for the quality of life of
8 people in communities that are potentially adversely
9 affected by these odors. So good job on that.

10 CHAIRPERSON MOULTON-PATTERSON: Thank you.

11 BOARD MEMBER PEACE: I have to say when I first
12 heard about this from Patty, I really had my concerns. I
13 thought, "Oh, my gosh. We're adding another
14 responsibility to the LEAs' responsibilities and another
15 thing for them to do now that we expect them to be odor
16 experts." But at the LEA conference, I posed that
17 question to the LEAs, and they all seemed very, very open
18 to the idea of having this. They thought that it was
19 needed. So I'm in support of it.

20 CHAIRPERSON MOULTON-PATTERSON: Thank you.

21 I'll entertain a motion, seeing no more
22 questions.

23 Mr. Paparian.

24 BOARD MEMBER PAPARIAN: Madam Chair, I'll move
25 adoption of Resolution 2004-61, Consideration of

1 Allocation and Scopes of Work to be Funded from the
2 Integrated Waste Management Account, FY 2003-2004.

3 BOARD MEMBER PEACE: Second.

4 CHAIRPERSON MOULTON-PATTERSON: The motion by
5 Mr. Paparian, seconded by Ms. Peace to approve Resolution
6 2004-61.

7 Please call the roll.

8 SECRETARY WADDELL: Paparian?

9 BOARD MEMBER PAPARIAN: Aye.

10 SECRETARY WADDELL: Peace?

11 BOARD MEMBER PEACE: Aye.

12 SECRETARY WADDELL: Washington?

13 BOARD MEMBER WASHINGTON: Aye.

14 SECRETARY WADDELL: Moulton-Patterson?

15 CHAIRPERSON MOULTON-PATTERSON: Aye.

16 EXECUTIVE DIRECTOR LEARY: Thank you, Members.

17 CHAIRPERSON MOULTON-PATTERSON: Thank you.

18 Number 16, Consideration for Extensions for Grant
19 Agreements for the Used Oil Opportunity Grants.

20 DEPUTY DIRECTOR LEE: Good afternoon, Madam
21 Chair, members of the Board.

22 Item 16 is Consideration of Extensions for Grant
23 Agreements for the Used Oil Opportunity Grants, Sixth
24 Cycle, Fiscal Year 2001-2002. Steven Hernandez of the
25 Used Oil Branch will make the staff presentation.

1 (Thereupon an overhead presentation was
2 presented as follows.)

3 USED OIL AND HOUSEHOLD HAZARDOUS WASTE PROGRAM

4 SUPERVISOR HERNANDEZ: Good afternoon, Chairwoman
5 Moulton-Patterson and Board members. I'm Steve Hernandez,
6 a Supervisor in the Used Oil and Household Hazardous Waste
7 Recycling Program. I am before you to request approval of
8 six Used Oil Opportunity Grants extensions ranging from 6
9 to 14 months. However, before I begin that, I will share
10 with you some information about used oil and household
11 hazardous waste grants we recently awarded to
12 organizations in Santa Clara County.

13 --o0o--

14 USED OIL AND HOUSEHOLD HAZARDOUS WASTE PROGRAM

15 SUPERVISOR HERNANDEZ: In addition to the three used oil
16 block grants, which total \$1.8 million, the County has
17 also benefited from three competitive grants; one used oil
18 opportunity grant, which is promoting oil filter recycling
19 in Hispanic, underserved areas of the county using
20 community-based social working; one household hazardous
21 waste 12 cycle grant, which is expanding household
22 hazardous waste collection with focus on
23 mercury-containing residential products, thermometer
24 exchanges, and contractors involved in home remodeling;
25 and one nonprofit grant representing a public awareness

1 campaign to increase used oil recycling and increased
2 utilization of the County household hazardous waste
3 collection program. These grants total \$852,000
4 approximately.

5 Now, unless there are questions, I will proceed
6 with the extension request.

7 --o0o--

8 USED OIL AND HOUSEHOLD HAZARDOUS WASTE PROGRAM

9 SUPERVISOR HERNANDEZ: At its April 2002 meeting, the
10 Board awarded 18 grants for \$5.1 million for the cycle,
11 with a grant term of May 1st, 2002, to April 15th, 2004,
12 which is approximately 24 months. Awards can be up to
13 \$300,000 for the individual application and up to \$700,000
14 for a regional application. The cycle priorities were
15 funding for programs designed to include collection of
16 used oil and filters for curbside collection;
17 opportunities for rural, underserved areas and
18 populations; and agricultural sources and marinas.

19 The recommended grants, which was in Attachment 1
20 of the Board item, represent projects whose progress was
21 impacted by extenuating circumstances, such as changing
22 contractors or local funding issues, a natural disaster,
23 such as last summer's fires in Southern California, or
24 modification of methodology to improve effectiveness. For
25 example, to change the public outreach to community-based

1 social marketing techniques.

2 The longest time extension would represent a
3 total grant term of 38 months. I wish to point out the
4 three years is not an unreasonable amount of time to
5 complete a construction or public outreach campaign. Most
6 recently the used oil opportunity grant seventh cycle was
7 approved in November with a 39-month term to accommodate
8 the time necessary to complete projects and to conduct
9 pre-grant and administrative requirements and in the
10 recognition of the continuous funding aspect of this grant
11 program.

12 Staff believes that allowing these grants to
13 continue work will promote accomplishment of grant
14 objectives and promote program goals, such as
15 community-based social marketing. Again, there is not a
16 fiscal constraint or funding availability problem, as the
17 Used Oil Fund is continuously appropriated.

18 In accordance with the Board's approved grant
19 extension request process, staff recommends that the Board
20 approve the six time extensions for the grants listed in
21 Attachment 1 and adopt Resolution 2004-69. This concludes
22 my presentation. I and representatives from several of
23 the jurisdictions are available if you have questions or
24 desire further information.

25 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.

1 Hernandez.

2 Mr. Paparian.

3 BOARD MEMBER PAPARIAN: Madam Chair, I'd like to
4 move Resolution 2004-69, Consideration of the Extensions
5 for Grant Agreements for the Used Oil Opportunity Grants
6 6th Cycle, 2001-2002.

7 BOARD MEMBER PEACE: Second.

8 CHAIRPERSON MOULTON-PATTERSON: Motion by
9 Mr. Paparian, seconded by Ms. Peace to approve Resolution
10 2004-69. Hearing no objections, we'll substitute the
11 previous roll call.

12 Number 19.

13 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.
14 Item Number 19 is Consideration of the Grant Awards for
15 the Local Government Waste Tire Cleanup Grant Program for
16 Fiscal Year 2003-2004. And Diane Nordstrom will make the
17 staff presentation.

18 MS. NORDSTROM: Good afternoon, Madam Chair and
19 members of the Board. The item before you is the
20 Consideration of the Grant Award to the Local Government
21 Waste Tire Cleanup Grant Program for Fiscal Year
22 2003-2004.

23 The Local Government Waste Tire Cleanup Grant
24 Program provides grant funding to local jurisdictions to
25 clean up illegally dumped tires. This will be the seventh

1 year that the Board provided funding for this program.

2 The Board has allocated 800,000 for this fiscal year. The
3 maximum amount of funding for each site is 50,000 and up
4 to 200,000 for each jurisdiction.

5 The application was sent to local governments and
6 Indian tribes. The application included an affidavit for
7 private property owners with more than 500 tires on their
8 property to sign under perjury they were not responsible
9 for tires being disposed of on their property. The Board
10 staff received two applications by the December 31st,
11 2003, deadline, and the applications were reviewed and
12 ranked using the existing priority ranking criteria that
13 were approved by the Board at the September 2003 meeting.

14 The second application deadline ended yesterday,
15 and it is anticipated that several more applications have
16 come in. The two jurisdictions that submitted
17 applications were the County of San Joaquin and the County
18 of Santa Cruz. The total grant award being requested for
19 this cycle is \$103,316 out of the 800,000 allocated for
20 this fiscal year. Neither applicant was required to
21 submit an affidavit with their applications since they are
22 proposing to clean up small sites and illegal dumping
23 along public right-of-ways.

24 The Board has been provided a handout with
25 detailed project description for each applicant. The cost

1 per tire varies greatly due to the number of tires to be
2 removed, the location of the tires, the final end use, and
3 the amount of labor required to remove the tires.

4 Staff recommends adoption of Resolution 2004-62
5 to approve the award of \$103,316 to the applicants of the
6 Local Government Waste Tire Cleanup Grant Program for
7 Fiscal Year 2003-2004.

8 This concludes my presentation.

9 CHAIRPERSON MOULTON-PATTERSON: Thank you. Any
10 questions?

11 Ms. Peace.

12 BOARD MEMBER PEACE: Yes. When I look here for
13 the cost per tire for the cleanup, in Santa Cruz it's
14 \$1.20 a tire and San Joaquin is \$8.85 a tire.

15 MS. NORDSTROM: The significant difference is
16 because of the location of the tires. San Joaquin County
17 is pulling a lot of tires out of the waterways. And it's
18 a lot more labor intensive to separate the tires, clean
19 them up, and get them ready for transport.

20 BOARD MEMBER PEACE: Were either one of these
21 counties putting in any one any of their own money?

22 MS. NORDSTROM: Santa Cruz did not put in any
23 request for us to reimburse staff overtime, so that's also
24 a difference in cost. So that essentially is our matching
25 staff time for the cleanup. So that would make the cost

1 less, too.

2 BOARD MEMBER PEACE: And then have either one
3 done any preventive dumping measures --

4 MS. NORDSTROM: Not yet. They will be --

5 BOARD MEMBER PEACE: -- to keep this from
6 happening again?

7 MS. NORDSTROM: San Joaquin County is stepping up
8 their enforcement through the Enforcement Grant Program.
9 They're an applicant, so that's one of the priorities for
10 them to step that up.

11 BOARD MEMBER PEACE: It said here that fewer
12 requests are being made for assisting local governments
13 with removal of the larger legacy tire piles. However,
14 there's a request for funding for removal of more smaller
15 no nuisance dumping. And I guess all we can hope is that
16 successful tire -- Waste Tire Manifest System will help
17 curb some of this type of dumping.

18 Also, I had a question. And I have this letter
19 from Tehama. Mr. Lee, are you familiar with this letter
20 from Tehama County, saying even though they received the
21 score of 89.3 on their application, that they were not
22 chosen for funding? I don't know if this is a different
23 program. It says it's the Local Government Waste Tire
24 Grant. I didn't know what they were talking about. It
25 sounds like if it's the same program, that we had plenty

1 of money.

2 DEPUTY DIRECTOR LEE: Ms. Peace, I believe it's a
3 different grant program. I've got Mitch Delmage here from
4 the Tire Branch, and perhaps he can provide a little bit
5 of information on that.

6 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: Yes.
7 At this time we also have the Waste Tire Amnesty Day Grant
8 Program that was well oversubscribed. And because of the
9 north-south split, we had many more applications from
10 Northern California. So as it turned out, some of the
11 applications that received very high scores were not
12 recommended for funding because of the north-south split
13 of the money.

14 BOARD MEMBER PEACE: So you're saying what Tehama
15 applied for was a whole different pot of money than this
16 here?

17 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: I
18 believe so, yes.

19 BOARD MEMBER PEACE: So will there be at the end
20 of the year a reallocation of the money -- of this program
21 here that has extra money and the other one that didn't
22 have enough money? Can we reshuffle the funds so that
23 like Tehama can get the money they've requested?

24 DEPUTY DIRECTOR LEE: It's our intent -- we come
25 back before the Board annually in May with a reallocation

1 item and propose funding for applicants like Tehama which
2 were eligible, but there just were insufficient funds to
3 accommodate them. They will be one of the
4 considerations -- they will be one of the proposals to the
5 Board to consider for funding.

6 BOARD MEMBER PEACE: They won't have to fill out
7 another application?

8 DEPUTY DIRECTOR LEE: They won't have to fill out
9 another application. But I should point out at this point
10 we expect many demands on the money, you know, during the
11 May reallocation. So certainly I wouldn't think funding
12 for Tehama could be guaranteed. We'll certainly bring it
13 to the Board's consideration, and the Board can determine,
14 you know, who or where they want the funds to be
15 reallocated to.

16 BOARD MEMBER PEACE: In terms of this letter for
17 Tehama, they were saying that this they didn't get funded,
18 you know, in this cycle, they were wondering if -- you
19 know, why they had to fill out a whole other application,
20 if this couldn't be put over to the next year. That way
21 it could save them money since they only have one person
22 working on it or might save us money, too. We wouldn't
23 have to rescore everything. Did you see that letter, have
24 any comments on that?

25 DEPUTY DIRECTOR LEE: Ms. Peace, I believe that

1 was one of the items when we brought forth the criteria
2 for the Amnesty Day Grant, I believe we asked about
3 potentially rolling over the -- we asked for consideration
4 along the lines I think that Tehama is asking for.

5 And Mitch, perhaps you can give a little
6 additional -- refresh my memory on exactly what the
7 disposition of that was.

8 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: In
9 May we plan on bringing forward the criteria for next
10 fiscal year's Amnesty Day Grants. And in that we were
11 hoping that we could bring up that very idea, because this
12 particular program was so over allocated that if we were
13 to take this year's money and next year's money, we may be
14 able to fund everybody that received a passing score. So
15 that's something you'll be hearing at the May Board
16 meeting.

17 BOARD MEMBER PEACE: Okay.

18 CHAIRPERSON MOULTON-PATTERSON: Thank you.

19 Mr. Paparian, did you have a question?

20 BOARD MEMBER PAPARIAN: Yeah, and I'll move the
21 motion.

22 But just to add to this, I think the history on
23 this was in the past, the Amnesty Day Grants, I believe,
24 were matching grants, and they were undersubscribed. Then
25 this year for the first time we said we'll pay

1 100 percent, and surprisingly, we were oversubscribed.
2 We're paying 100 percent of the costs. So it became a
3 much more attractive program.

4 And I think one of the things we may want to wind
5 up looking at is whether it should be something in
6 between. Maybe that would provide for more stability in
7 the program or maybe multi-year cycles. But I think we
8 ought to look at all those options when it comes up.

9 But back to the current agenda item, I'm ready to
10 move the item.

11 BOARD MEMBER WASHINGTON: Before you do that --

12 CHAIRPERSON MOULTON-PATTERSON: Mr. Washington.

13 BOARD MEMBER WASHINGTON: I have a question as it
14 relates to Santa Cruz. What was the circumstance that you
15 guys wanted to give them these resources?

16 I'm sitting here thinking in terms of -- I'm
17 thinking of a slippery slope here with local government.
18 I know a lot down in my district, down in Los Angeles, we
19 have 5,000 piles probably everywhere. And the City of
20 Los Angeles, County of L.A. can run up here and ask for
21 resources to get these tires removed if this is the
22 process we're going to take.

23 The legacy sites are a little different than
24 these local private sites. And I'm trying to figure out
25 if we're heading down a slippery slope here by doing these

1 types of removal sites.

2 Any thoughts in terms of where we're going with
3 this, Mr. Lee?

4 DEPUTY DIRECTOR LEE: Mr. Washington, I'm trying
5 to appreciate your question there. Are you asking, again,
6 did Southern California jurisdictions have the opportunity
7 to apply for this program?

8 BOARD MEMBER WASHINGTON: No. No. No. I'm
9 talking about the actual doing this cleanup site. Not
10 applying for anything. I'm talking about the actual
11 cleanup site. Normally -- and I think Diane said in the
12 beginning that we are somewhere out rated where we talk
13 about using these types of resources for the cleanup sites
14 that I guess the local governments have jurisdiction over.
15 These sound like these are private-owned sites to me. Are
16 these private sites that we're going to be cleaning up?

17 MS. NORDSTROM: Yeah. The ones in Santa Cruz are
18 private, but they're less than 500 tires. They're smaller
19 sites. They're going to go around cleaning several small
20 sites. There's no sites with more than 500 tires.

21 BOARD MEMBER WASHINGTON: So any local government
22 can apply to do that for private sites anywhere in the
23 state?

24 MS. NORDSTROM: Yes. If they get over 500 tires,
25 they have to sign an affidavit saying they weren't

1 responsible. If it's more than 5,000 tires, even if they
2 sign the affidavit, we will do cost recovery on them,
3 because that's a major waste tire facility. And through
4 legal's guidance we use that cutoff for 5,000 tires to
5 automatically pursue cost recovery.

6 BOARD MEMBER WASHINGTON: Okay.

7 CHAIRPERSON MOULTON-PATTERSON: Thank you.

8 Mr. Paparian.

9 BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

10 I'd like to move adoption of Resolution 2004-62,
11 Consideration of the Grant Awards for the Local Government
12 Waste Tire Cleanup Grant Program for FY 2003-2004.

13 BOARD MEMBER PEACE: Second.

14 CHAIRPERSON MOULTON-PATTERSON: Motion by
15 Mr. Paparian, seconded by Ms. Peace. Please substitute
16 the previous roll call.

17 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

18 Item 20 is Consideration of the Grand Awards for
19 the Waste Tire Track and Other Recreational Surfacing
20 Grant Program for Fiscal Year 2003-2004.

21 Mitch Delmage of the Tire Branch will make the
22 staff presentation.

23 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: Good
24 afternoon, Madam Chair and members.

25 The purpose of this grant program is to help

1 develop markets in California for derived crumb rubber
2 products and to help school districts, local governments,
3 replace unsafe recreational surfacing with a safer
4 alternative.

5 In May of 2003, the Board approved the five-year
6 plan for the Waste Tire Recycling Management Program,
7 which allocated \$800,000 to this track grant program for
8 fiscal year 2003-2004. Then in July, the Board approved
9 the application and project eligibility and proposed
10 general and program criteria and procedures for evaluating
11 the applications for this grant program.

12 As part of the evaluation procedure, the Board
13 requires that grants be awarded according to population
14 demographics based on a north-south split. For this grant
15 program, that means that about 300,000 will be available
16 for Northern California and 500,000 will be available for
17 Southern California applicants.

18 The Board received 42 applications requesting
19 more than \$3.9 million in funding. One application was
20 disqualified, and one withdrew from the process. Of the
21 40 remaining applications, 26 received passing scores.
22 Since there is only 800,000 allocated for these grants,
23 only eight projects can be fully funded and one project
24 can receive partial funding. Three of the nine projects
25 will be in Northern California, and six will be in

1 Southern California.

2 Staff recommends that the Board approve Option 1
3 and award grants to the nine applicants set forth in List
4 A of Resolution 2004-63 until the allocated funds are
5 exhausted. Furthermore, staff recommends that the Board
6 approve the ranking set forth in List B of Resolution
7 2004-63 and award grants to the 17 remaining applicants,
8 should funds become available during reallocation. The
9 total amount of moneys needed for funding all the
10 remaining projects would be approximately \$1.7 million.

11 This concludes my presentation. Are there any
12 questions?

13 CHAIRPERSON MOULTON-PATTERSON: Any questions?

14 Ms. Peace.

15 BOARD MEMBER PEACE: For resurfacing of a track,
16 can you tell me how many used tires that uses up?

17 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: It
18 really depends on the project. And as part of the scoring
19 criteria, the applicants received points for the most
20 cost-effective project. So the more tires that were used
21 per dollar, the higher their score.

22 BOARD MEMBER PEACE: Can you give me an example
23 of one of these then, and how many tires they're using?

24 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: I always
25 try to prepare for all questions, but that's one I didn't

1 prepare for. If you look at your agenda item, Attachment
2 2, where it discussions the various projects and the
3 amount of funding -- I'm hoping that one of them will
4 mention how many tires. And I'm not seeing any. But as
5 we went through the scoring process, I did see a list that
6 shows that it ranged from \$2 up to \$102 per tire. And of
7 course, \$102 per tire didn't receive any funding or any
8 recommendation. I believe that it's probably about 6 to
9 \$10 on the average for these types of products.

10 BOARD MEMBER PEACE: How many tires are we
11 talking about? If you say \$100,000 per project, is that
12 all going to just tires, so if we divide that by --
13 because you didn't have any -- does anybody have any sort
14 of idea how many tires are used in a track, just in
15 general? Is it 10,000? Is it 30,000? Is it 500? I
16 mean --

17 DEPUTY DIRECTOR LEE: Ms. Peace, like I said, we
18 don't have all the staff here to discuss it. It obviously
19 seems to be a very rudimentary question we should have at
20 our fingertips. But it escapes both Mitch's and my
21 knowledge at this particular time. We can get back to you
22 with that information. We can tell you this is an
23 established grant program. It's been well received by the
24 community. It does utilize a number of tires, but we
25 don't have the exact numbers that are involved there.

1 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: If I
2 could, Attachment 2, if you go down to the City of
3 Carlsbad, they're asking for \$100,000. They're matching
4 \$100,000. And on a soccer field, they're showing
5 40,000-plus recycled tires.

6 BOARD MEMBER PEACE: So 40,000 then for a soccer
7 field at a school?

8 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: Yeah.
9 And the reason it's so hard is because these projects are
10 all different thicknesses. And it really -- like I said,
11 it ranges from \$2 a tire to \$102 a tire. So it's really
12 hard to pin that down.

13 BOARD MEMBER PEACE: Okay. Thank you.

14 CHAIRPERSON MOULTON-PATTERSON: Thank you,
15 Mr. Peace.

16 Do I have a motion?

17 BOARD MEMBER PAPARIAN: Madam Chair, I'd like to
18 move adoption of Resolution 2004-63, Consideration of the
19 Grant Awards for the Waste Tire Track and Other
20 Recreational Surface Grant Program for FY 2003-2004.

21 BOARD MEMBER PEACE: Second.

22 CHAIRPERSON MOULTON-PATTERSON: Motion by Mr.
23 Paparian, seconded by Ms. Peace. Please substitute the
24 previous roll call.

25 That brings us to our last item, Agenda Item

1 Number 21.

2 DEPUTY DIRECTOR LEE: Madam Chair, Item 21 is
3 Consideration of the Scope of Work and Interagency
4 Agreement with the California Department of Transportation
5 for the Development and Testing of Roadside Products Made
6 from California Waste Tires, Tire Recycling Management
7 Fund, Fiscal Year 2003-2004. Mitch Delmage will make the
8 staff presentation and introduce the representative from
9 Caltrans that's available to speak on this item as well.

10 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: I
11 brought help on this item. Daryl Tykins of Caltrans will
12 be able to answer any specific questions you may have
13 about this item.

14 Today I'll present staff's recommendation for
15 approving this scope of work for the interagency agreement
16 with Caltrans to specifically purchase and install weed
17 abatement matting made from 100 percent California waste
18 tires. These rubber mats will lessen or eliminate
19 roadside vegetation, thereby reducing Caltrans' use of
20 herbicides, lowering maintenance costs, and eliminating
21 potential safety hazards.

22 The Board's five-year plan for the Waste Tire
23 Program allocated \$300,000 for Fiscal Year 2003-2004 to
24 help state agencies purchase or develop products made from
25 waste tire rubber. The plan requires that any products

1 purchased or manufactured must be made of 100 percent
2 California waste tire rubber. This project meets the
3 criteria set forth in the five-year plan.

4 Caltrans manages approximately 15,000 miles of
5 highway and 230,000 acres of roadside throughout
6 California. The management, maintenance, and control of
7 vegetation on the roadside has become an increasingly
8 dangerous, difficult, and expensive task. Historic
9 methods of vegetation control using manual, mechanical, or
10 chemical techniques have been sharply curtailed because of
11 local development, increased traffic volume, public
12 concerns about herbicides, and a number of other economic,
13 environmental, and safety issues.

14 Following a 1992 Environmental Impact Report on
15 Caltrans' vegetation control practices, Caltrans adopted
16 an Integrated Vegetation Management Program for its
17 roadsides. A major component of this program was to
18 develop structural designs and construction methods that
19 would reduce the need for ongoing vegetation management.
20 Initial testing of these mats has demonstrated that both
21 molded and rolled rubber mats can be effectively used in a
22 transportation environment to control vegetation. In
23 fact, last December Caltrans installed a weed abatement
24 matting system in the Sacramento area near Bradshaw and
25 Highway 50.

1 For the purposes of this interagency agreement,
2 Caltrans will be responsible for developing and finalizing
3 the preliminary mat design, determining project locations,
4 advertising and awarding the bids, installing the rubber
5 mats, reviewing progress, and analyzing data, and
6 preparing a professional paper or article on the project,
7 and then finally submitting progress reports and a final
8 report to the Board.

9 And in speaking with representatives of Caltrans,
10 we'll also be looking to come back to them over the course
11 of the next few years to see how the matting is holding up
12 under the weather here.

13 So staff recommends that the Board approve the
14 proposed scope of work and interagency agreement with
15 Caltrans for the purchase an installation of weed
16 abatement matting and adopt Resolution 2004-64 and
17 2004-65, respectively.

18 This concludes my presentation. Do you have any
19 questions for either myself or Mr. Tykins?

20 CHAIRPERSON MOULTON-PATTERSON: Ms. Peace.

21 BOARD MEMBER PEACE: Since this was \$300,000 and
22 it's going to divert 30,000 tires, that's \$10 a tire
23 you're talking about.

24 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: Yes.

25 BOARD MEMBER PEACE: If they've already done this

1 in Sacramento, why do they need money from us to do more?

2 MR. TYKINS: Madam Chair, members of the Board,
3 Daryl Tykins with the Office of Roadside Management,
4 Caltrans. It's my responsibility to improve the way we do
5 business on the roadside and to improve our worker safety
6 on the roadside also.

7 To answer your question, Ms. Peace, the reason
8 we're looking at this is that we're still in the infant
9 stage of developing a rubber mat product that is actually
10 cost effective, can compete with other structural
11 vegetation controls, and can be constructed in a timely
12 and efficient manner.

13 What we're looking at doing with this grant money
14 is actually taking the two designs that we currently had
15 installed at the Bradshaw location in Sacramento and
16 making those into a hybrid design that we think will
17 actually improve our productivity and lower our per-meter
18 cost.

19 Currently, the cost of rubber matting for us, to
20 put it under a guardrail, runs us about the same cost as
21 it would be to put oak flooring underneath it. What we're
22 trying to do is to get that to be much more competitive to
23 where we can show our designers and the contracting
24 industry that this is a useful product for them. And both
25 my office, our Maintenance Division, and the contractors

1 that we work with in installing this believe we can get it
2 down to where it's a very competitive item. But we still
3 have some ways to go to get that to happen.

4 BOARD MEMBER PEACE: How many other, like,
5 interagency agreement grant money, things, have we given
6 to Caltrans before? I know we've given to backfill
7 retaining walls and levies and --

8 DEPUTY DIRECTOR LEE: Ms. Peace, I don't have the
9 exact numbers. But we're working with Caltrans and other
10 agencies on many different fronts. We're working with
11 them on RAC and various civil engineering projects. Those
12 are the ones that you referenced again where we're
13 providing backfill.

14 BOARD MEMBER PEACE: When we've given them money
15 for civil engineering projects to do a civil engineering
16 project, have they ever gone on to do more of those kind
17 of projects without our money, or does it just kind of end
18 there? Do they say, "Oh, yeah, it works. Okay. Let's on
19 our own go do some more of these projects," or do they
20 only do them when we give them money?

21 MR. TYKINS: I think you're aware of course the
22 RAC program continues to do projects.

23 BOARD MEMBER PEACE: Aside from RAC.

24 MR. TYKINS: As far as lightweight fill, for me
25 to answer that wouldn't provide this Board with the proper

1 or correct information. It's just not on my side of the
2 house. Without passing the buck, I just don't have an
3 answer for you on that information. I know it's being
4 tested behind the sound walls, as you said. It's also
5 been tested in fill slopes for structures. And I think
6 they're still looking at how that performs over a period
7 of years before doing that on a more wholesale basis.

8 DEPUTY DIRECTOR LEE: Ms. Peace, I'd like to
9 augment that a little bit, too. Like I said, we're
10 working with Caltrans in a number of different areas. I
11 think each area -- I think staff's opinion about how that
12 relationship is going and what we need to do is more
13 advanced. On the RAC, we believe that we're going to need
14 to take a different approach with them, other than to get
15 the real benefits out of that particular program. I think
16 we've touched upon those. I touched upon those earlier in
17 my remarks before the Board. But there may need to be
18 some legislative approach that may need to be taken.

19 On the civil engineering, they've been working
20 very cooperatively with us. We feel we're at a stage in
21 the process -- we're right in the middle of some of the
22 experiments with retaining wall projects and other seismic
23 stability. We think those are bearing fruit, and we're
24 optimistic the results of those studies will encourage
25 Caltrans to do more of that on their own.

1 With regards to the projects, you know, like the
2 mat projects, I think we're coming in between those two
3 stages. I think, you know, the gentleman -- the Caltrans
4 representative, you know, brings out some legitimate
5 questions with regards to the economics, you know, of the
6 situation. And at this point, we think it would be
7 premature to stop the funding for these particular
8 projects at this particular time. We feel they still show
9 promise, and we would like to basically see that project
10 proceed.

11 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: I'd
12 also like to add that this is something that Caltrans was
13 doing on their own before we approached them. And we just
14 want to help move it along a little faster. Plus,
15 100 percent of this funding is just going to buy the mats.
16 Caltrans will be providing in-kind service through their
17 installation and through their work with the manufacturer.

18 BOARD MEMBER PEACE: Seems like if they're going
19 to be saving money on roadside work and all the other
20 things they'll be saving money on by putting down the mat,
21 they should be able to pay it for themselves without our
22 money.

23 MR. TYKINS: That's part of what this project is
24 going to provide us, is with more of that information that
25 says, is there an actual cost savings and what is that

1 cost savings? We just don't have enough down right now to
2 be able to pull those kind of numbers.

3 BOARD MEMBER PEACE: For the mats, where they're
4 connected, won't weeds still grow up through there? I
5 mean, I passed a whole parking lot here today covered with
6 asphalt with weeds growing up through it.

7 MR. TYKINS: That's one reason we're not using
8 asphalt underneath the guardrail. What we want to do --
9 the old design --

10 BOARD MEMBER PEACE: Where the mats go together,
11 we're not going to have weeds?

12 MR. TYKINS: The old design we had that problem
13 with, which used the same kind of design as you would use
14 for playground tiles. That was the initial concept behind
15 this strategy.

16 What we've done is redesigned the mats so that we
17 have overlap, so that the mats actually overlap each other
18 so we don't have that seam in there where the vegetation
19 can come through. And the density of the mat is such you
20 don't get water penetration. You don't get light
21 penetration. And subsequently, you don't get weed
22 penetration from the bottom up.

23 BOARD MEMBER PEACE: As I was driving to the
24 airport yesterday and as I was driving from Sacramento to
25 San Jose yesterday, I'm looking along the road roadside,

1 and I go all that green and all that there, it could be
2 black mats. That would -- to me, that didn't sound like a
3 very pretty sight.

4 MR. TYKINS: Or it could be green mats or brown
5 mats. We can make any color mat we want. What we want to
6 do is to get the design and get the right materials out
7 there first. And once we got that figured out and we can
8 see how it works in the environment, then we can start
9 adding the other touches that make it more appropriate
10 from an aesthetics standpoint, from a community-interest
11 standpoint.

12 CHAIRPERSON MOULTON-PATTERSON: Thank you very
13 much for being here.

14 Were you finished?

15 BOARD MEMBER PEACE: The gasoline that's thrown
16 off in roads and the oil and stuff that's thrown off from
17 cars, how safe do you think this is if someone threw a
18 cigarette out on it? Because I know we had a problem on a
19 playground that somebody -- it was arson. Somebody did
20 put gasoline on it and lit a match, and the whole thing
21 went up.

22 MR. TYKINS: We've actually had our fire
23 departments and our researchers in the department test it
24 as it would relate to a cigarette or a grass fire. And
25 both the rolled product and the formed rubber product do

1 not have any fire potential at that heat. Now, with
2 gasoline or another mixture, a spill, or something like
3 that on top of it, there's always the chance for
4 incineration on that. In fact, we don't have many
5 products -- asphalt itself will burn when it's done that
6 way.

7 BOARD MEMBER PEACE: My only comment is it's
8 going to be \$10 a tire. The waste tire track for schools,
9 you said it could be \$2 a tire and up. You say one of the
10 reasons you want to do this is you'd be using less
11 herbicides. If we took this money and put in more tire
12 tracks for the schools, they'll be using less herbicides.
13 They'll be using less things that the kids won't be
14 playing on.

15 You say about safety -- I've seen how the tracks
16 and the soccer fields and the football fields and stuff at
17 school are so pitted with holes and bad grass the kids are
18 breaking their ankles and stuff playing on it. I guess
19 it's just my thought that I would rather see this money
20 goes to more -- since we're using as many tires, if not
21 more, in a tire track with the same account of money. But
22 I guess it's just my thought. I think I would rather see
23 more of that money going to tire tracks and fields for
24 kids than for black, green, or red rubber mats along the
25 highways. That's --

1 DEPUTY DIRECTOR LEE: Ms. Peace, one final
2 comment on that. In our opinion, it unlikely that
3 building significantly more tracks is really going to
4 change our tire diversion numbers significantly. We're
5 looking for areas --

6 BOARD MEMBER PEACE: It is going to be more RAC.

7 DEPUTY DIRECTOR LEE: Most definitely. It's
8 going to be the big ticket items we're going to have to
9 move on that.

10 And again, one of the reasons why we still want
11 to encourage the Board's support for this particular
12 project is because it's one of those uses of a molded
13 rubber product that has the potential, you know, for being
14 a much wider spread use. You know, the use of the stuff
15 on track is something that's well-established, but again,
16 you can only build so many of those.

17 The thing -- this project with Caltrans has a
18 much bigger potential. Our long-term goal is to
19 significantly increase our diversion rate. And we're
20 going to need more things than just building more tracks
21 in order for that diversion number to go up. It's going
22 to require RAC. It's going to require civil engineering.
23 It's going to require products like these weed abatement
24 mats for us to get the job done.

25 CHAIRPERSON MOULTON-PATTERSON: Thank you very

1 much for being here to answer our questions.

2 Did you have a question or comment?

3 BOARD MEMBER PAPARIAN: Just a quick comment,
4 Madam Chair.

5 I mean, I appreciate Mr. Tykins' willingness to
6 work with us on trying to look at some of these products.
7 So my comment is more generally about Caltrans, which you
8 may not have much responsibility for. But I share some of
9 Ms. Peace's concerns, that there's been a willingness to
10 work with us at times when there's money available for the
11 project, and then some of the interest has died off when
12 we haven't had the money.

13 I think when we -- Caltrans, I know, prides
14 itself being the international leader in the field of
15 transportation highways. But I know that other states,
16 Massachusetts, on tire-derived products, South Carolina,
17 and Arizona on RAC, and there's some other examples out
18 there as well, have kind of leaped ahead of Caltrans a
19 little bit in the use of recycled tires. And I think that
20 perhaps when we get the new Caltrans director -- I
21 certainly would love to work with the staff to sit down
22 with them and perhaps with the Business, Transportation,
23 Housing Secretary, Sunne McPeak, the newly appointed
24 secretary over there. And I know that Secretary Terry
25 Tamminen of CalEPA has an interest in some of the RAC

1 issues well. I think if we all get together and try to
2 come up with some mutually-agreeable commitments to really
3 further the use of RAC and recycled tire product, I think
4 would be beneficial for everybody. So with that if
5 there's --

6 CHAIRPERSON MOULTON-PATTERSON: I just have -- do
7 you have any inside information on when a Director is
8 going to be appointed?

9 MR. TYKINS: I would I did. You're probably
10 better politically connected than I am.

11 Let me just throw out some numbers just to give
12 you an idea what the potential may be is for the rubber
13 mat. Over the next four years, Caltrans is probably doing
14 approximately, you know, 1,000 miles of median road
15 barrier, guardrail. With that, let's say that 10 percent
16 of it we use the rubber mat as a structural control.
17 That, in itself, based on what our estimates were for this
18 grant, would use up about 750,000 tires for those projects
19 alone.

20 And you're looking at this \$300,000 grant is
21 about what we would spend on each project. Once we had it
22 out there, probably somewhere in the neighborhood of 2- to
23 \$300,000 just on the structural vegetation controls. So
24 it is a significant use of tires.

25 And it also involves the manufacturing processes,

1 which we'd like to see greater competition in. So we're
2 trying to encourage products that do that also. This is
3 just the tip of the iceberg for us as far as recycled
4 rubber product, which we also use that uses coke bottles,
5 plastic bottles, or using rubber crumb in a product we
6 call crumb krete, which is a shot-krete type product also
7 that do the veg control.

8 CHAIRPERSON MOULTON-PATTERSON: We really
9 appreciate you being here and having this dialog.

10 Mr. Paparian.

11 BOARD MEMBER PAPARIAN: Thank you, Madam Chair.
12 There's two resolutions. Should I move them separately or
13 together?

14 CHAIRPERSON MOULTON-PATTERSON: Together. I
15 think as long as you say both numbers.

16 BOARD MEMBER PAPARIAN: I'm moving Resolutions
17 2004-64, related to the Scope of Work for the Development
18 and Testing of Roadside Products made from California
19 Waste Tires, and 2004-65, which is the interagency
20 agreement with Caltrans on the same subject.

21 CHAIRPERSON MOULTON-PATTERSON: Thank you. I'll
22 go ahead and second both of those.

23 Would you please call the roll. That's
24 Resolution 2004-64 and 2004-65.

25 SECRETARY WADDELL: Paparian?

1 BOARD MEMBER PAPARIAN: Aye.

2 SECRETARY WADDELL: Peace?

3 BOARD MEMBER PEACE: Before I vote for this, I
4 want to make sure that there's something in that
5 Resolution that specifically says we're going to get
6 follow-up information on this in one year, three years,
7 five years, we get follow-up information on how this
8 works.

9 SPECIAL WASTE DIVISION SUPERVISOR DELMAGE: I'll
10 have it added to the scope of work in the Resolution.

11 BOARD MEMBER PEACE: Is there any way to add that
12 if they find out that this does work in the next several
13 years, we have a commitment from Caltrans to do this on
14 their own?

15 MR. TYKINS: Yes. My commitment would be is if
16 we can make it cost effective, it's in our best interest
17 to do it. If it's not cost effective, if that's what we
18 find out from this grant, or if that's what we find out
19 two, three, four, five years down the road, it's actually
20 my hope that we end up with a better, higher use for the
21 crumb rubber that makes my product not very cost effective
22 to use it for mat. It's still going to have to be able to
23 compete, unless there's outside forces that require me to
24 use recycled rubber in lieu of some other recycled product
25 or some other type of structural control.

1 BOARD MEMBER PEACE: I think it's already been
2 proven that RAC is cost effective. Maybe not in the first
3 year, but when you look at it over five, ten years and
4 it's cost effective, and Caltrans is still fighting us
5 using that.

6 MR. TYKINS: I would recommend a whole separate
7 discussion on the benefits of RAC.

8 BOARD MEMBER PEACE: You'll make sure that is
9 added in the Resolution that we get some follow up?

10 BOARD MEMBER PAPARIAN: I think, Madam Chair,
11 what we just did is we amended the motion. We're having
12 some additions to the scope of work based on the
13 conversation between Mr. Delmage and Ms. Peace. That's
14 fine with me, as the maker of the motion. But to keep it
15 clean, we probably have to start this over again. I'll
16 move, with those changes, Resolutions 2004-64 and 2004-65.

17 CHAIRPERSON MOULTON-PATTERSON: I'll second with
18 the changes. Please start the roll over again.

19 SECRETARY WADDELL: Paparian?

20 BOARD MEMBER PAPARIAN: Aye.

21 SECRETARY WADDELL: Peace?

22 BOARD MEMBER PEACE: I'll reluctantly say aye.

23 SECRETARY WADDELL: Washington?

24 BOARD MEMBER WASHINGTON: Aye.

25 SECRETARY WADDELL: Moulton-Patterson?

1 CHAIRPERSON MOULTON-PATTERSON: Aye. That
2 concludes our meeting.

3 (Thereupon the California Integrated Waste
4 Management Board, Board of Administration
5 adjourned at 2:16 p.m.)

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1 CERTIFICATE OF REPORTER

2 I, TIFFANY C. KRAFT, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing hearing was reported in shorthand by me,
7 Tiffany C. Kraft, a Certified Shorthand Reporter of the
8 State of California, and thereafter transcribed into
9 typewriting.

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said hearing nor in any
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 30th day of March, 2004.

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